SEAL
INCORPORATED BERHAD
(4887-M)

Charting New Heights

Annual Report
2012

SEAL INCORPORATED BERHAD (4887-M) • ANNUAL REPORT 2012 • CHARTING NEW HEIGHTS

CONTENTS

DIRECTORS

Tuan Haji Abdul Hamid Bin Mohd Hassan
Chairman, Executive Director

Chuah Chong Ewe
Chief Executive Officer, Executive Director

Fang Siew Hong
Executive Director

Chuah Chong Boon
Executive Director

Koay Teng Choon
Non-Independent Non-Executive Director

Ng Ngoon Weng
Independent Non-Executive Director

Liakat Ali Bin Mohamed Ali
Independent Non-Executive Director

Chee Wai Hong
Independent Non-Executive Director

AUDIT COMMITTEE

Chairman
Ng Ngoon Weng

Members
Liakat Ali Bin Mohamed Ali
Chee Wai Hong

EXECUTIVE COMMITTEE

Chairman
Chuah Chong Boon

Members
Tuan Haji Abdul Hamid Bin Mohd Hassan
Fang Siew Hong
Chuah Chong Ewe

REMUNERATION COMMITTEE

Chairman
Koay Teng Choon

Members
Tuan Haji Abdul Hamid Bin Mohd Hassan
Liakat Ali Bin Mohamed Ali
Chee Wai Hong

NOMINATING COMMITTEE

Chairman
Ng Ngoon Weng

Members
Liakat Ali Bin Mohamed Ali
Koay Teng Choon
Chee Wai Hong

ESOS COMMITTEE

Chairman
Tuan Haji Abdul Hamid Bin Mohd Hassan

Members
Chuah Chong Ewe
Fang Siew Hong
Liakat Ali Bin Mohamed Ali

SECRETARIES

Chan Yoke Yin (MAICSA 7043743)
Chai Churn Hwa (MAICSA 0811600)
Chiew Cindy (MAICSA 7057923)

REGISTERED OFFICE

55, Medan Ipoh 1A, Medan Ipoh Bistari,
31400 Ipoh, Perak Darul Ridzuan
Telephone No.: 05-5474833
Fax No.: 05-5474363

REGISTRARS

Symphony Share Registrars Sdn. Bhd.
55, Medan Ipoh 1A, Medan Ipoh Bistari,
31400 Ipoh, Perak Darul Ridzuan
Telephone No.: 05-5474833
Fax No.: 05-5474363

PRINCIPAL PLACE OF BUSINESS

A-8-1 Lorong Bayan Indah 4
11900 Bayan Lepas
Penang, Malaysia

AUDITORS

Grant Thornton
51-8-A, Menara BHL Bank
Jalan Sultan Ahmad Shah
10050 Penang, Malaysia

PRINCIPAL BANKERS

AmBank (M) Berhad
CIMB Bank Berhad
Hong Leong Bank Berhad
HSBC Bank Malaysia Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
Public Bank Berhad
United Overseas Bank (Malaysia) Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

NOTICE IS HEREBY GIVEN THAT the Fiftieth Annual General Meeting of Seal Incorporated Berhad ("SEAL") will be held at Kapur Room, Level 2, Eastin Hotel Penang, No. 1, Solok Bayan Indah, Queensbay, 11900 Bayan Lepas, Penang, Malaysia on Saturday, 24 November 2012 at 9.30 a.m. for the following purposes:

AGENDA	Resolution No.
1. To receive the Audited Financial Statements for the year ended 30 June 2012, together with the Directors' and Auditors' Reports thereon.	
2. To approve payment of increased Directors' fee of RM102,000/-.	**1**
3. To re-elect the following Directors retiring pursuant to the Articles of Association of the Company:	
3.1 Ng Ngoon Weng	**2**
3.2 Liakat Ali Bin Mohamed Ali	**3**
3.3 Chuah Chong Ewe	**4**
3.4 Chee Wai Hong	**5**
4. To consider and, if thought fit, pass a resolution pursuant to Section 129 of the Companies Act, 1965 to re-appoint Tuan Haji Abdul Hamid Bin Mohd Hassan as a Director of the Company to hold office until the next Annual General Meeting of the Company.	**6**
5. To re-appoint Messrs Grant Thornton as Auditors and to authorise the Directors to fix the Auditors' remuneration.	**7**
6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.	
7. As Special Business:	
Ordinary Resolution 1 – Authority to Allot and Issue Shares in General Pursuant to Section 132D of the Companies Act, 1965	**8**

"That, subject to the Companies Act, 1965 and the Articles of Association of the Company and approvals from Bursa Malaysia Securities Berhad, Securities Commission and other relevant governmental or regulatory authorities, the Directors be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965 to allot and issue shares in the capital of the Company from time to time upon such terms and conditions and for such purposes as the Directors may in their discretion deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

Ordinary Resolution 2 – Proposed Renewal of Share Buy Back Authority **9**

"That, subject to the Companies Act, 1965, the provisions of the Company's Memorandum and Articles of Association, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares of RM0.40 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 interests of the Company ("the Proposed Share Buy Back") provided that:

i) the aggregate number of shares purchased does not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company as quoted on Bursa Securities as at the point of purchase;

ii) the maximum amount of funds to be allocated by the Company pursuant to the Proposed Share Buy Back shall not exceed the sum of Retained Profits and/or the Share Premium Accounts of the Company based on its latest audited financial statements available up to the date of a transaction pursuant to the Proposed Share Buy Back. As at 30 June 2012, the Retained Profits and Share Premium Account of the Company are as follows:

	As at 30 June 2011	As at 30 June 2012
Retained Profits	RM13,706,551	RM19,510,387
Share Premium	RM45,306,309	RM45,448,463

iii) the shares purchased by the Company pursuant to the Proposed Share Buy Back may be dealt with in all or any of the following manner (as selected by the Company):

a) the shares so purchased may be cancelled; and/or

b) the shares so purchased may be retained in treasury for distribution as dividend to the shareholders and/or resold on the market of Bursa Securities and/or subsequently cancelled; and/or

c) part of the shares so purchased may be retained as treasury shares with the remainder being cancelled.

AGENDA **Resolution No.**

And that any authority conferred by this resolution may only continue to be in force until:

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

ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or

iii) revoked or varied by ordinary resolution passed by the shareholders in general meeting, whichever occurs first.

And that authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into of all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares) in accordance with the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements and/or guidelines of Bursa Securities and all other relevant governmental and/or regulatory authorities."

Ordinary Resolution 3 – Proposed Granting of Options to Chuah Chong Ewe **10**

"That pursuant to the existing Employees' Share Option Scheme ("ESOS") as approved by the shareholders at the Extraordinary General Meeting held on 15 July 2010 and the approvals of all relevant authorities, if applicable, the Company and the Directors be and hereby authorised specifically to offer and to grant to Chuah Chong Ewe, the Chief Executive Officer/Executive Director of the Company, options to subscribe for up to a maximum of 1,974,484 new Shares in the Company pursuant to the ESOS in accordance with By-Law 4.2 and to allot and issue from time to time new Shares pursuant to the acceptance of the offer and to the exercise of such options, subject always to any adjustments which any be made in accordance with the By-Laws governing and constituting the ESOS."

Ordinary Resolution 4 – Proposed Granting of Options to Chee Wai Hong **11**

"That pursuant to the existing Employees' Share Option Scheme ("ESOS") as approved by the shareholders at the Extraordinary General Meeting held on 15 July 2010 and the approvals of all relevant authorities, if applicable, the Company and the Directors be and hereby authorised specifically to offer and to grant to Chee Wai Hong, an Independent Non-Executive Director of the Company, options to subscribe for up to a maximum of 2,961,726 new Shares in the Company pursuant to the ESOS in accordance with By-Law 4.2 and to allot and issue from time to time new Shares pursuant to the acceptance of the offer and to the exercise of such options, subject always to any adjustments which any be made in accordance with the By-Laws governing and constituting the ESOS."

Special Resolution – Proposed Amendments to the Company's Articles of Association **12**

"That the deletions, alterations, modifications and additions to the Company's Articles of Association as set out in Appendix II of the Circular to Shareholders dated 30 October 2012 be approved."

By Order of the Board

Chan Yoke Yin
Chai Churn Hwa
Chiew Cindy
Company Secretaries

Ipoh, Perak Darul Ridzuan, Malaysia
30 October 2012

NOTES:

1. Only members whose names appear on the Record of Depositors as at 21 November 2012 shall be entitled to attend the Annual General Meeting or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.
2. A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote instead of him. A proxy may but need not be a member of the Company.
3. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
5. The instrument appointing a proxy must be deposited at the Registered Office of the Company, 55 Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan, Malaysia not less than 48 hours before the time appointed for holding the Meeting.

EXPLANATORY NOTES TO SPECIAL BUSINESS

(a) **ORDINARY RESOLUTION 1 –**
AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

The Ordinary Resolution 1 proposed under item 7 if passed, will empower the Directors of the Company, from the date of the above Annual General Meeting ("AGM") until the next AGM to allot and issue shares in the Company up to a maximum of ten per centum (10%) of the issued share capital of the Company. This general mandate will expire at the conclusion of the next AGM of the Company, unless revoked or varied at a general meeting.

The general mandate sought for issue of shares is a renewal of the mandate that was approved by the shareholders on 8 December 2011. The Company has utilised the mandate that was approved last year for the Private Placement exercise as announced on 19 April 2012 to raise proceeds for development projects.

The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene separate general meeting to obtain shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises, including but not limited to further placement of shares for the purpose of funding current and/or future investment projects, working capital and/or acquisitions.

(b) **ORDINARY RESOLUTION 2 –**
PROPOSED RENEWAL OF SHARE BUY BACK AUTHORITY

The above Ordinary Resolution 2, if passed, will empower the Directors to purchase the Company's shares through Bursa Malaysia Securities Berhad up to 10% of the issued and paid-up share capital of the Company. Details of the Proposed Share Buy Back is set out in the Circular to Shareholders of the Company, which is sent out together with the Company's 2012 Annual Report.

(c) **ORDINARY RESOLUTION 3 –**
PROPOSED GRANTING OF OPTIONS TO CHUAH CHONG EWE

The proposed Ordinary Resolution 3, if passed, will allow the Directors to offer and grant to Chuah Chong Ewe, the Chief Executive Officer/Executive Director, options to subscribe for/purchase such number of ordinary shares of RM0.40 each in the Company under the existing Employees' Share Option Scheme.

(d) **ORDINARY RESOLUTION 4 –**
PROPOSED GRANTING OF OPTIONS TO CHEE WAI HONG

The proposed Ordinary Resolution 4, if passed, will allow the Directors to offer and grant to Chee Wai Hong, an Independent Non-Executive Director, options to subscribe for/purchase such number of ordinary shares of RM0.40 each in the Company under the existing Employees' Share Option Scheme.

(e) **SPECIAL RESOLUTION**

The proposed amendments allow the Company's Articles of Association to be in line with the amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Statement Accompanying Notice of Annual General Meeting of Seal Incorporated Berhad pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities)

Further details of individuals standing for election and re-appointment as Directors are set out in the Profile of Directors and Statement of Shareholdings on page 7, 8, 18 and 76 respectively of this Annual Report.

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Seal Incorporated Berhad, it is my pleasure to present to you the Annual Report and the Audited Financial Statements of the Group and the Company for the year ended 30 June 2012.

Financial Highlights

The strategic stance and efforts of the Board and Seal management team to promote long-term growth which drives profits for the Group are reflected in the current financial performance of the Group.

For the financial year under review, the Group has set a new milestone by recording a revenue of RM122.6 million (2011: RM51.8 million) and profit before taxation of RM42.5 million (2011: RM8.9 million) representing an increase of 137% and 378% respectively from the preceding year.

Operational Review

Property Development

The property development segment has become the main contributor to the Group's financial results in the current financial year, with revenue amounting to RM86.7 million representing 71% of the Group's total revenue. The strong performance was mainly contributed by Bayan City, Penang which generated RM80.7 million accounting for approximately 66% of the Group's total revenue.

The development at North Avenue, Sungai Petani, Kedah and Krai Eco Park, Kelantan both make up the remaining 5%.

Property Investment

With the support of our strong property management team, Selayang Mall continue to maintain a strong occupancy rate throughout the financial year consistently contributing about RM18.1 million (2011 : RM17.4 million) to the Group.

With the diligence and dedication of the management team, Selayang Mall has enhanced its image and concept over the years, and is currently a preferred location for retailers and shoppers of Selayang Utama, Batu Caves, Selangor.

Timber related activities

During the financial year, the timber division recorded a total revenue of RM 17.8 million (2011: RM20.8 million), down by 14% compared to the previous financial year. This is mainly due to the timing of extraction activities. The sector continues with its efforts to procure new timber concession, and is expected to continue to contribute significantly to the Group's result.

Corporate Development

During the financial year, the Group has completed its Private Placement of 19,632,800 ordinary shares of RM0.40 each, raising funds of approximately RM 8 million which will be utilised as working capital for the development projects.

Future Outlook

The Board is confident that the Group shall continue to perform and grow satisfactorily, with its well defined plan and assisted by a strong management team. The Group continues to seek for new business opportunities that are both economically viable and financially profitable.

The Board expects the property development segment to continue leading in the Group's financial results for the financial year ending 30 June 2013. The property development, property investment and timber segments are expected to remain bullish and contribute to the bulk of the Group's earnings in the coming financial year.

Appreciation

On behalf of the Board, I wish to extend our heartfelt gratitude to all our valued customers, shareholders, business associates, financiers, governmental authorities and partners for their continued support, cooperation, confidence and trust in us.

My sincere appreciation also goes to the Management and all employees of Seal Group for their unwavering loyalty, commitment and invaluable contribution in enabling us to strengthen our foundation and achieve the strong financial year results.

To my fellow board members, thank you for your invaluable insights and guidance during the year. I would like to take this opportunity to welcome Mr. Chuah Chong Ewe and Mr. Chee Wai Hong to the Board. I would also like to pay tribute to Mr. Lee Hean Cheng, who has left the Board for new venture. We wish you all the best.

TUAN HAJI ABDUL HAMID BIN MOHD HASSAN
Chairman

PROFILE OF THE BOARD OF DIRECTORS

TUAN HAJI ABDUL HAMID BIN MOHD HASSAN, *74 years of age, Malaysian*
Chairman, Executive Director
Chairman, ESOS Committee
Member, Remuneration Committee
Member, Executive Committee

He was appointed to the Board on 7 February 2002. He became a member of the Remuneration Committee and Executive Committee on 22 August 2002.

He was President of the Malaysian Institute of Taxation. He has 33 years of experience working in the Department of Inland Revenue from which he retired in June 1993 as Deputy Director General. He was the General Manager of Paramount Malaysia (1963) Sdn. Bhd. from July 1993 to August 1997 and the General Manager of the taxation division of the See Hoy Chan Sdn. Bhd. group of companies from August 1997 to January 2002.

He also sits on the Board of the Company's subsidiary, Great Eastern Mills Berhad and several other subsidiaries.

CHUAH CHONG EWE, *45 years of age, Malaysian*
Chief Executive Officer
Executive Director
Member, Executive Committee
Member, ESOS Committee

He was appointed to the Board as Chief Executive Officer and Executive Director of the Company on 20 April 2012. He was also appointed as a member of the Executive Committee on even date.

He graduated with a degree in LLB (Hons) from University of Malaya and was admitted to the Malaysian Bar Council on 26 February 1993.

He has more than 18 years of experience in legal practice and is well versed in corporate, conveyancing and litigation matters. He comes with a vast experience in practical knowledge and well-rounded exposure in all aspects of corporate, business and property development.

FANG SIEW HONG, *36 years of age, Malaysian*
Executive Director
Member, Executive Committee
Member, ESOS Committee

She was appointed to the Board as Executive Director of the Company on 12 September 2005. She was also appointed as a member of the Executive Committee on even date.

She graduated with a Bachelor of Commerce, Accounting & Information Systems from Deakin University, Australia.

She started her career with Widetech Manufacturing Sdn. Bhd. as an Accounts Executive in November 1999 and joined Chi Fat International Pty Ltd, Australia in 2002 as an Assistant Manager. Upon her return to Malaysia in 2003, she joined Khoo Choon Keat & Associates as an auditor and subsequently as an accountant in Advance Micro Devices Export Sdn. Bhd.

She also sits on the Board of the Company's subsidiary, Great Eastern Mills Berhad and several other subsidiaries.

CHUAH CHONG BOON, *51 years of age, Malaysian*
Executive Director
Chairman, Executive Committee

He was appointed to the Board as Executive Director of the Company on 28 August 2006. He became the Chairman of the Executive Committee on 18 September 2006 and as a member of the Audit Committee on 27 August 2007. Subsequently, he resigned as an Audit Committee member on 30 January 2009.

He graduated with a Master Degree in Business Administration from the Herriot-Watt University, United Kingdom.

He began his career in the banking industry as Credit Controller in Public Bank Group from 1983 to 1987 and had good exposure in Corporate Banking Division in Arab-Malaysian Banking Group from 1988 to 1996.

After he left banking industry, he joined the development industry as General Manager of Cherating Group in year 1996 and as Executive Director of Tenco Management Sdn. Bhd. in year 1997. He joined Pintas Nitmat Sdn. Bhd. as an advisor from 1998 to 1999 and as General Manager of Antah Holdings Berhad from 2000 to 2002. He was then became General Manager of Naga Sakti Sdn. Bhd. from 2003 to 2006.

He also sits on the Board of the Company's subsidiary, Great Eastern Mills Berhad and several other subsidiaries. He also sits on the Board of other several private companies.

KOAY TENG CHOON, *49 years of age, Malaysian*
Non-Independent & Non-Executive Director
Chairman, Remuneration Committee
Member, Nominating Committee

He was appointed to the Board on 12 September 2005. He was then appointed as Chairman of the Remuneration Committee and as a member of Nominating Committee on 20 April 2012. He is the Managing Director of First Tycoon Enterprise (M) Sdn. Bhd. and Syarikat Agensi Pekerjaan ACE Recruit Sdn. Bhd. since year 1999 till to date.

NG NGOON WENG, *54 years of age, Malaysian*
Independent Non-Executive Director
Chairman, Audit Committee
Chairman, Nominating Committee

He was appointed to the Board and the Audit Committee on 30 January 2009 and was subsequently appointed as the Chairman of the Audit Committee on 13 May 2009. He was also appointed as member of the Nominating Committee on 13 May 2009 and then redesignated as Chairman of the Nominating Committee on 20 April 2012.

He holds a Diploma in Selling Financial Services from International Management Centre, London and a Degree in Social Science (Management Studies) from Universiti Sains of Malaysia.

He has more than 20 years operation experience in the banking industry holding managerial positions from 1984 to 2005 in various financial institutions. After he left the banking industry, he joined WinSun Technologies Berhad as Director till April 2010. He is now an Independent Non-Executive Director of Supercomnet Technologies Berhad.

LIAKAT ALI BIN MOHAMED ALI, *49 years of age, Malaysian*
Independent Non-Executive Director
Member, Audit Committee
Member, Remuneration Committee
Member, Nominating Committee
Member, ESOS Committee

He was appointed to the Board and the Audit Committee on 25 September 2009. He was also appointed as a member of the Remuneration Committee and Nominating Committee on even date.

He was a Penang Municipal Councilor from 2000 to 2002 and was appointed as the Treasury State UMNO Youth in 2001 and subsequently appointed as Deputy State UMNO Youth from 2002 to 2004. At the same time, he was the State Secretary of the Barisan Nasional Youth from 2001 to 2004. Currently he is the Managing Director of Pangkal Sinar Sdn. Bhd., the Public Relations Director of Systematic Conglomerate Sdn. Bhd. and the Vice President of UMNO Bayan Baru Division.

CHEE WAI HONG, *39 years of age, Malaysian*
Independent Non-Executive Director
Member, Audit Committee
Member, Remuneration Committee
Member, Nominating Committee

He was appointed to the Board and the Audit Committee on 20 April 2012. He was also appointed as a member of the Remuneration Committee and Nominating Committee on even date.

He holds an LL.B Honours Degree from University of London, United Kingdom and a Master Degree in Business Administration from University Utara Malaysia. He is a qualified Advocate and Solicitor and is a member of the Malaysian Bar. He is also a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom and a Member of the Malaysia Institute of Accountants.

He helmed the position of Executive Director of a Main Market listed company in Malaysia for 12 years where he was involved in the area of corporate finance and accounting. He is now a partner of a public practice in Penang.

The Board of Directors ('the Board') of Seal Incorporated Berhad ('Seal') acknowledges that sound principles of corporate governance are fundamental in managing business and affairs of the Group, and the Board is committed to ensure that the highest standard of corporate governance are practiced throughout the Group as a fundamental part of discharging its responsibilities to safeguard and enhance long term shareholders' value and other stakeholders' interest.

In line with the Main Market Listing Requirements ('Listing Requirements') of Bursa Malaysia Securities Berhad ('Bursa Securities'), the Board is pleased to disclose a narrative statement, as outline below, on the manner the Group has applied the Principles and Best Practices of the Malaysian Code on Corporate Governance.

A. Directors

i) The Board

Seal is led and managed by an experienced Board, comprising members with a wide range of expertise in accounting, finance banking, legal, property sector and public service. Together, the Directors bring a broad range of skills, experiences and knowledge that are essential to direct and supervise the Group's business activities, which are vital to the success of the Group.

ii) Board Meetings

The Board meets at least four (4) times a year on a scheduled basis with additional meetings convened as and when necessary. The meetings are scheduled in advance before the end of the financial year to enable the Directors to plan accordingly, to fit the Board meetings into their schedules.

The Board has met for a total of five (5) times during the financial year ended 30 June 2012. All Directors fulfilled the Listing Requirements of Bursa Securities in relation to their attendance at Board Meetings. Details of attendance of Directors at the Board Meetings are as follow:

Name of Directors	Number of Meetings held in financial year during Director's tenure in office	Number of Meetings Attended
Tuan Haji Abdul Hamid Bin Mohd Hassan	5	4
Fang Siew Hong	5	5
Chuah Chong Boon	5	5
Koay Teng Choon	5	4
Ng Ngoon Weng	5	5
Liakat Ali Bin Mohamed Ali	5	4
Lee Hean Cheng *(Resigned on 20 April 2012)*	4	4
Chuah Chong Ewe *(Appointed with effect from 20 April 2012)*	1	1
Chee Wai Hong *(Appointed with effect from 20 April 2012)*	1	1

The agenda for all board meetings, board papers and relevant documents are circulated in advance. All proceedings from the Board meetings are duly recorded and the minutes thereof are signed by the Chairman of the meeting.

iii) Board Committees

The Board of Directors has delegated certain responsibilities to the Board Committees, namely the Audit Committee, Executive Committee, Nominating Committee and Remuneration Committee in order to enhance business and operational efficiency as well as efficacy. These Board Committees, which operate within defined terms of reference, assist the Board in the execution of its duties.

The terms of reference of the Audit Committee are set in the section under the Audit Committee Report.

A. Directors (cont'd)

iv) Training

All the Directors have completed the Mandatory Accreditation Program and are encouraged to attend training programmes under the Continuing Education Program to broaden their perspectives, to keep abreast with developments in the industries and further enhance their skill and knowledge to discharge their duties and responsibilities effectively.

In line with the provisions of Paragraph 15.08 of the Listing Requirements of Bursa Securities, the Directors have undergone the following training programmes during the financial year:

a) Budget 2012 Proposals and Transfer Pricing
b) BDO Financial Reporting Standards Masterclass 2011 - Race Against Time
c) Priceless Gems Of Creativity II : Do the Unthinkable! by Persatuan Pengurusan Kompleks (PPK) Malaysia
d) Single Tier Vs. 108 Tax Credit
e) 2012 Malaysian Code of Corporate Governance Implementation for Public Listed Company's Directors and Implementation of Corporate Disclosure Guide for Year 2012

v) Board Balance

The Board currently comprises 8 members, with 4 Executive Directors, 1 Non-Independent Non-Executive Director and 3 Independent Non-Executive Directors. Together, the Board has a balanced composition of Executive and Non-Executive Directors where no individual or small group of individuals can dominate the Board's decision making. The Board complies with Paragraph 15.02 of the Listing Requirements of Bursa Securities which requires that at least two Directors or one-third of the Board of the Company, whichever is higher, are Independent Directors.

The Directors together bring a wide range of business, financial, industrial and technical experience to lead the Group in the area of business strategies, performance, and utilisation of resources and standards of conduct.

A brief description of the background of each director is presented under Profile of Directors on pages 7 to 8 of the Annual Report.

Generally, the Executive Directors are responsible for day to day management of the Group's business, implementation of Board's policies and making operational decisions while the Non-Executive Directors contribute their knowledge and experience in business strategic plans.

The Independent Non-Executive Directors provide significant contribution towards the formulation of policies and decision making. The presence of Independent Non-Executive Directors is essential as they provide an unbiased and independent view, advice and judgement to the decision-making of the Board and brings the caliber necessary to carry sufficient weight in Board decisions. Their main role is to ensure that the strategies and plans proposed by executive management are fully discussed and examined, and take into account of the long term interest, not only of the Shareholders, but also other Stakeholders of the Group.

vi) Supply of Information

In enhancing their duties, the Board members have unrestricted access to timely and accurate information within the Group. A Board report is prepared prior to the Board meeting and sufficient notice is given to the Directors to review the papers and agenda of the meeting.

Generally, the Board papers provide information on the operation results, financial, corporate development, acquisitions and disposals proposals, if any, and any other important matters to be brought to the attention of the Board.

All Directors have access to the advice and services of the Company Secretary as well as external independent professionals at the Group's expense, if necessary.

A. Directors (cont'd)

vii) Appointments to the Board

The Nominating Committee was formed on 22 August 2002. Its responsibilities include the followings:

a) proposing new nominees to the Board and Committees of the Board;
b) assessing the structure, size and composition of the Board;
c) reviewing annually relevant mix of skills and other qualities, including core competence which Non-Executive Directors should bring to the Board;
d) assessing annually the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Directors; and
e) ensure orientation and education programme be provided for directors.

The members of the Nominating Committee during the year, composed exclusively of Non-Executive Directors, were as follows:

Name of member		
Ng Ngoon Weng	-	Independent Non-Executive Director *(Chairman)* *(Redesignated as Chairman on 20 April 2012)*
Liakat Ali Bin Mohamed Ali	-	Independent Non-Executive Director *(Member)*
Chee Wai Hong	-	Independent Non-Executive Director *(Member)* *(Appointed with effect from 20 April 2012)*
Koay Teng Choon	-	Non-Independent Non-Executive Director *(Member)* *(Appointed with effect from 20 April 2012)*

The Nominating Committee shall meet at least once a year and as and when deemed necessary. Two meetings were held during the financial year ended 30 June 2012. The annual assessments of the Board as a whole, the Committees of the Board and each individual Director have been documented and noted.

viii) Re-election

In accordance with the Company's Articles of Association, an election of Directors shall take place every year and all Directors shall retire from office once at least in every 3 years. In addition, a Director who attains the age of 70 retires at every Annual General Meeting pursuant to the Companies Act, 1965.

B. Directors' Remuneration

The members of the Remuneration Committee during the year, composed mainly of Non-Executive Directors, were as follows:

Name of member		
Koay Teng Choon	-	Non-Independent Non-Executive Director *(Chairman)* *(Appointed with effect from 20 April 2012)*
Tuan Haji Abdul Hamid Bin Mohd Hassan	-	Executive Director *(Member)*
Liakat Ali Bin Mohamed Ali	-	Independent Non-Executive Director *(Member)*
Chee Wai Hong	-	Independent Non-Executive Director *(Member)* *(Appointed with effect from 20 April 2012)*

The Remuneration Committee shall meet at least once a year and as and when deemed necessary. One meeting was held during the financial year ended 30 June 2012.

Fees payable to the Directors are recommended by the Board with the approval from shareholders at the Annual General Meeting.

Generally, the remuneration package will be structured according to the skills, experience and performance of Executive Directors to ensure the Group attracts and retains the Directors needed to run the Group successfully, whereas the remuneration package of Non-Executive Directors is reflective of their experience and level of responsibilities, which is determined collectively by the whole Board. The Executive Director however, plays no part in the deliberations and decisions on his own remunerations.

Details of Directors' Remuneration for Directors of the Company received and/or receivable from the Company for the year ended 30 June 2012 are as follows:

	Executive Directors RM	Non-Executive Directors RM	Total RM
Fees	30,000	72,000	102,000
Salaries & Other Emoluments	325,000	-	325,000
Employees Provident Fund	39,000	-	39,000
Total	394,000	72,000	466,000

The number of Directors of the Company whose total remuneration falls within the following bands for the year ended 30 June 2012 is as follows:

Range	**Executive Directors**	**Non-Executive Directors**	**Total**
Below RM50,000	1	3	4
RM50,001-RM100,000	-	-	-
RM100,001-RM150,000	1	-	1
RM150,001-RM200,000	-	-	-
RM200,001-RM250,000	1	-	1

C. Shareholders

i) Dialogue between Company and Investors

The Group acknowledges the important of maintaining transparency and effective communications with the shareholders and investors. Therefore, all major development within the Group is conveyed by way of announcements at Bursa Securities website, the Company's annual reports and other circulars to shareholders. In addition, the Group maintains a website at **www.sib.com.my** for convenient accessed by the shareholders and general public.

ii) Annual General Meeting

The principal forum for dialogue and communication with shareholders remain at the Annual General Meeting (AGM) and Extraordinary General Meeting. The shareholders are encouraged to participate and pose questions during AGM on both the resolutions being proposed or about the Group's operations in general. Where appropriate, the Chairman will endeavour to provide the shareholders with written answer to any significant question raised.

Notice of AGM which is contained in the Annual Report is sent out at least 21 days prior to the date of the meeting.

D. Accountability and Audit

i) Financial Reporting

In presenting the annual financial statements and quarterly announcements to the shareholders, the Board responsible to present and provide a clear, balanced and understandable assessment of the Group's positions and prospects.

The Audit Committee assists the Board in overseeing the Group's financial reporting processes and the quality of the financial reporting to ensure accuracy and authenticity of the reporting.

ii) Directors' Responsibility Statement in Respect of the Preparation of the Audited Financial Statements

The Directors are required to prepare the financial statements for each financial year which have been 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 the end of the financial year and of their financial performance and cash flows for the financial year then ended.

In preparing the financial statements, the Directors have selected appropriate accounting policies which are applied consistently, supported by reasonable and prudent judgements and estimates.

The Directors also have general responsibilities for taking such steps as are reasonably available to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

iii) Statement on Internal Control

The Group maintains a sound system of internal control to safeguard shareholders' investment and the Group's assets. The Statement on Internal Control is set out on page 14 to 15 of the Annual Report to provide an overview of the state on Internal Controls within the Group.

iv) Relationship with the Auditors

The Board, through the Audit Committee, maintains a transparent and appropriate relationship with the Group's auditors. The Audit Committee has been explicitly accorded to communicate and meet the auditors to discuss the conduct and findings arising from audit, wherever necessary.

Compliance Statement

Save as disclosed, the Group has substantially complied with the Best Practices set out in Part 2 of the Malaysian Code on Corporate Governance.

CORPORATE RESPONSIBILITY

The Board of Directors acknowledges the importance of Corporate Responsibility for sustainable development where it is a continuing commitment by businesses to behave ethically, creating shared values and contribute to the economic development. In fulfilling its Corporate Social Responsibility to the community, Seal continuously extends financial support by way of charity sponsorships and donations towards community related activities, schools, charity homes, orphanages, animal home and etc.

The Group remains continuously committed and practiced the followings:

Workplace
At Seal, team work, talent appreciation and ‘people first, profit later’ is a philosophy of the Group. A dedicated and diligent workforce is one of our greatest assets and the key to Group success. The Group emphasizes on sharing, providing and maintaining a safe, harmonious and healthy workplace through In-House Health Talk, In-House Fire Drill etc for all level of staff.

As part of the Group’s human capital development, ongoing training and development programmes were conducted throughout the year.

To encourage a harmonious working environment and to strengthen integration among employees, all employees are encouraged to participate in various welfare activities organised by the Group including Annual Dinner, Group Outings, Employee’s Birthday Celebration and weekly sports/recreational activities, etc.

Community
Continuous efforts are being made by the Group towards the community by donating to those in need and by sponsorship of social activities. Co-organizing social event such as blood donation, donation made to an unfortunate family as published in The Star newspaper, “Lifecheck Health Screening” and various awareness campaign such as “Program Kesihatan dan Keselamatan”, “Program Halatuju dan Pameran ke Universiti”, “Karnival Kecergasan Peringkat Negeri Selangor” and “Bulan Pengguna Kebangsaan”. The Group is also active in promoting voter’s registration, contribution to zakat and customer relation with various governmental bodies. Contributions were also made to Koperasi OKU to cover rental of OKU Koperasi Centre during the financial year.

The Group Staff Recruitment focuses its primary priority in recruiting local talents which foreign candidates being considered only when locals are not available.

Environment
With the objective to protect and preserve the environment, the Group continues to take initiatives to educate, identify and devote resources in environmental initiatives. Programmes to minimise adverse impact arising from the Group operations by practicing reforestation, recycling of waste, 5S housekeeping and organizing environmental friendly campaigns are aimed at promoting and educating the staffs and public to uplift environmental awareness. The Group has held “Kempen Pengurangan Kesan Rumah Hijau” at its Selayang Mall during the financial year, to promote public awareness of the green house effect.

Market
The Group is responsible in maintaining a high standard of corporate governance with the objective of safeguarding shareholders’ value and other stakeholders’ interest. The Group is sensitive to customers’ satisfaction, feedbacks and on time delivery principles and seek efforts to improve using ‘out of the box’ concepts. To have a better understanding of the Group’s operation and performance, effective communication channels such as regular meeting and dialogues were conducted with circulated minutes, and a website provided for the general public to access.

INTRODUCTION

The Malaysian Code of Corporate Governance requires listed companies to maintain a sound system of internal controls to safeguard shareholders' investment and the Group's assets.

Guided by the Statement on Internal Control: Guidance for Directors of Public Listed Companies, the Board of Director of Seal Incorporated Berhad is pleased to present the Statement on Internal Control which is prepared in accordance with paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

RESPONSIBILITY FOR RISK AND INTERNAL CONTROL

The Board recognises its overall responsibility for the Group's systems of internal control and for reviewing the adequacy and integrity of those systems. In view of the limitations that are inherent in any systems of internal control, the systems of internal control are designed to manage risk within tolerable levels rather than eliminate the risk of failure to achieve business objectives. Hence, such system by its nature can only provide reasonable and not absolute assurance against material misstatement, error or losses.

The Board has established an ongoing process for identifying, evaluating and managing the significant risks faced, or potentially exposed to, by the Group in pursuing its business objectives. This process has been in place throughout the financial year and up to the date of approval of the annual report. The adequacy and effectiveness of this process have been continually reviewed by the Board and are in accordance with the Internal Control Guidance.

RISK MANAGEMENT

The Board and the management practice proactive significant risks identification in the processes and activities of the Group, particularly any major proposed transactions, changes in nature of activities and/or operating environment, or venturing into new operating environment which may entail different risks, and put in place the appropriate risk response strategies and controls until those risks are managed to, and maintained at, a tolerance level acceptable by the Board.

INTERNAL AUDIT

The Board acknowledges the importance of internal audit function and has outsourced its internal audit function to an independent professional accounting and consulting firm, BDO Governance Advisory Sdn Bhd as part of its efforts to provide adequate and effective internal control systems. The performance of internal audit function is carried out as per the annual audit plan approved by the Audit Committee.

The internal audit adopts a risk-based approach in developing its audit plan which addresses all the core auditable areas of the Group based on their risk profile. The audit focuses on areas with high risk and inadequate controls to ensure that an adequate action plan has in place to improve the controls. For those areas with high risk and adequate controls, the audit ascertains that the risks are effectively mitigated by the controls. On a bi-annually basis or earlier as appropriate, the internal auditors report to the Audit Committee on areas for improvement and will subsequently follow up to determine the extent of their recommendations that have been implemented.

INTERNAL CONTROL

Apart from risk management and internal audit, the Group has put in place the following key elements of internal control:

- An organization structure with well-defined scopes of responsibility, clear lines of accountability, and appropriate levels of delegated authority;
- A process of hierarchical reporting which provides for a documented and auditable trail of accountability;
- A set of documented internal policies and procedures which is subject to regular review and improvement;
- Regular and comprehensive information provided to management, covering financial and operational performance and key business indicators, for effective monitoring and decision making;
- Monthly monitoring of results against budget, with major variances being followed up and management action taken, where necessary; and
- Regular visits to operating units by members of the Board and senior management.

CONCLUSION

The Board is of the view that there were no significant weaknesses in the current system of internal control of the Group that may have material impact on the operations of the Group for the financial year ended 30 June 2012. The Board and the management will continue to take necessary measures and ongoing commitment to strengthen and improve its internal control environment and processes.

This statement has been reviewed by the external auditors in compliance with paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This statement is issued in accordance with a resolution of the Directors dated 14 September 2012.

TERMS OF REFERENCE

Composition and Meetings

The Audit Committee comprises three members, all of whom are Independent Non-Executive Directors.

During the financial year under review, 5 audit committee meetings were held and the details of the attendance of each member of the committee are tabulated below:

Name of Members		Number of Meetings Attended
Ng Ngoon Weng	Chairman, Independent Non-Executive Director	5 out of 5
Liakat Ali Bin Mohamed Ali	Member, Independent Non-Executive Director	4 out of 5
Chee Wai Hong	Member, Independent Non-Executive Director *(Appointed with effect from 20 April 2012)*	1 out of 1
Lee Hean Cheng	Member, Independent Non-Executive Director *(Resigned on 20 April 2012)*	4 out of 4

The Committee shall be appointed by the Board from among its Directors (except alternate directors) and shall fulfil the requirement of paragraph 15.09 (c)(i) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Board shall, within three (3) months of any vacancy occurring in the Committee which results in the non-compliance of the composition of the Committee appoint such number of new members as may be required to comply with the required composition.

The Committee shall meet with the external auditors without executive board members present at least twice a year. The external auditors may request a meeting if they consider that one is necessary and shall have the right to appear and be heard at any meeting of the Committee. The Chairman shall convene a meeting whenever any member of the Committee requests for a meeting. Written notice of the meeting together with the agenda shall be given to the members of the Committee and external auditor where applicable. The quorum for a meeting of the Committee shall be two (2) provided always that the majority of members present must be independent directors and any decision shall be by a simple majority.

Other Board members and employees may attend any particular meeting only at the Committee's invitation. The Company Secretary shall be the Secretary of the Committee. The Secretary shall maintain minutes of the proceedings of the meetings of the Committee and circulate such minutes to all members of the Board.

Functions

The functions of the Committee shall include the following:

(1) review the following and report the same to the Board:

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

(2) recommend the nomination of a person or persons as external auditors.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

In line with the terms of reference of the Audit Committee, the summary of the main activities carried out by the audit committee during the financial year under review is as follows:

(a) Reviewed the Audit Planning Memorandum with the external auditors;
(b) Reviewed the results and audit report arising from audit with the external auditors;
(c) Reviewed the annual and quarterly financial statements and reporting to the Bursa Securities and ensured compliance with the additional disclosure requirements in accordance with the Listing Requirements of Bursa Securities;
(d) Reviewed the Company's status of compliance with the Listing Requirements of the Bursa Securities and with the Malaysian Code on Corporate Governance;
(e) Reviewed the internal audit reports and audit recommendations made by the internal auditors and management's responses thereto; and
(f) Reviewed the reports of Management on risk management and performance of the Group.

INTERNAL AUDIT FUNCTION

The Company outsourced the internal audit function to a professional accounting firm. The internal auditor reports directly to the Audit Committee and assists the Board in obtaining the assurance concerning adequacy and effectiveness of the system of internal control, risk management and governance framework of the Group. The internal auditor undertakes internal audit function based on the audit plan approved by the Audit Committee. The costs incurred for the internal audit function for the financial year were RM22,000.

During the financial year under review, the following activities were carried out by the internal audit function:

(a) Ascertained the extent of compliance with established policies, procedures and statutory requirements;
(b) Reviewed and assessed the adequacy and effectiveness of the system of internal control of the Group;
(c) Reported the findings of assessment and recommended improvements where necessary; and
(d) Performed follow-up audit on implementation of audit recommendations agreed by the management.

Conflict of Interest

None of the Directors has any family relationship with each other and/or major shareholders of the Company except:
- Mr. Chuah Chong Boon and Mr. Chuah Chong Ewe are brothers
- Ms. Fang Siew Hong is the sister of Ms. Fang Siew Poh, a major shareholder of the Company.

None of the Directors has any conflict of interest with the Company.

Convictions of Offences

None of the Directors has been convicted of any offences within the past ten (10) years other than traffic offences, if any.

Utilisation of Proceeds

The proceeds of RM8,069,081 raised from the Private Placement of 19,632,800 shares at the issue price of RM0.411 per share during the financial year after defraying all expenses relating to the Private Placement, will be utilised as working capital for development projects.

Share Buy-Backs

During the financial year, the Company has repurchased 1,118,000 of its issued ordinary shares from the open market for total consideration of RM457,484, including the transaction costs, 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.

As at 30 June 2012, the Company held a total of 5,441,500 treasury shares at a carrying amount of RM1,912,840 and the details of share buybacks are disclosed on page 55 of the Annual Report.

Options, Warrants or Convertible Securities

The Company did not issue any options, warrants or convertible securities during the financial year.

Depository Receipt Programme

The Company did not sponsor any Depository Receipt Programme during the financial year.

Sanctions and/or Penalties

There were no public sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by any regulatory bodies during the financial year.

Non-Audit Fees

Non-audit fees paid or payable to the external auditors, Grant Thornton, for the financial year ended 30 June 2012 amounted to RM2,000.

Variation in Results

There is no material variance between the audited results for the financial year ended 30 June 2012 and unaudited results announced on 29 August 2012.

Profit Guarantee

There were no profit guarantees given by the Company during the financial year.

Revaluation Policy on Landed Properties

Certain leasehold land and buildings of the Group stated at valuation was last revalued in the year 1983 by an independent firm of professional valuers, based on the open market value method. As permitted under transitional provision of International Accounting Standard No. 16 (Revised) : Property, Plant & Equipment, these assets continue to be stated at their 1983 valuation less accumulated depreciation and accumulated impairment losses.

Material Contracts

There was no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders interests which were still subsisting at the end of the financial year or entered into since the end of the previous financial year.

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 **30 June 2012**.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of property investment, building contractors, project managers for property development, trading of goods and extraction and sale of timber. The principal activities of the subsidiaries are set out in Note 6 to the financial statements.

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

RESULTS

	GROUP RM	COMPANY RM
Profit after taxation for the year	29,087,370	5,803,836
Attributable to:		
Owners of the parent	17,735,774	5,803,836
Non-controlling interests	11,351,596	-
	29,087,370	5,803,836

In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended **30 June 2012** have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

DIVIDENDS

No dividends have been declared or paid by the Company since the end of the previous financial year.

The directors do not recommend any dividend payment for the financial year.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the notes to the financial statements.

SHARE CAPITAL AND DEBENTURE

During the financial year, the Company undertook a private placement exercise and has allotted and issued 19,632,800 new ordinary shares of RM0.40 each at an issue price of RM0.411 per share.

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

Other than the foregoing, the Company did not issue any other shares or debentures during the financial year.

TREASURY SHARES

During the financial year, the Company repurchased **1,118,000** (2011 : 2,000) of its issued ordinary shares from the open market at an average price of **RM0.41** (2011 : RM0.45) per share for a total consideration of **RM457,484** (2011 : RM892). The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

As at 30 June 2012, the Company held a total of 5,441,500 treasury shares out of its 221,402,684 issued ordinary shares. The treasury shares are held at a carrying amount of RM1,912,840 and further relevant details are disclosed in Note 17 to the financial statements.

EMPLOYEE SHARE OPTION SCHEME

The Company had on 9 June 2010 and 15 July 2010 obtained approvals from the Bursa Malaysia Securities Berhad and the shareholders respectively to establish an Employee Share Option Scheme ("ESOS") with duration of ten years from the effective date.

As at 30 June 2012, no options were granted.

The salient features of the ESOS are disclosed in Note 35 to the financial statements.

DIRECTORS

The directors who served since the date of the last report are as follows:

Tuan Haji Abdul Hamid Bin Mohd Hassan
Fang Siew Hong
Chuah Chong Boon
Koay Teng Choon
Ng Ngoon Weng
Liakat Ali Bin Mohamed Ali
Chuah Chong Ewe (appointed on 20.4.12)
Chee Wai Hong (appointed on 20.4.12)
Lee Hean Cheng (resigned on 20.4.12)

DIRECTORS' INTERESTS IN SHARES

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

		Number of ordinary shares of RM0.40 each				
		Balance at 1.7.11		**Bought**	**Sold**	**Balance at 30.6.12**
	The Company					
	Direct Interest:					
	Chuah Chong Ewe	1,105,000	#	-	-	1,105,000
	Koay Teng Choon	17,462,000		-	-	17,462,000
	Deemed Interest:					
*	Chuah Chong Ewe	40,000,000	#	-	-	40,000,000
*	Fang Siew Hong	-		40,000,000	-	40,000,000
**	Koay Teng Choon	1,867,100		-	-	1,867,100

\# At date of appointment.
* Deemed interest by virtue of shares held by a company in which the directors have interest.
** Deemed interest by virtue of shares held by immediate family members of the director.

By virtue of their interests in the Company, **Mr. Chuah Chong Ewe** and **Ms. Fang Siew Hong** are deemed interested in the shares of the subsidiaries, to the extent that the Company has interests.

Other than as disclosed above, none of the other directors have any interest in shares in the Company and its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with a director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, other than those related party transactions disclosed in the notes to the financial statements.

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION

Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

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

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

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

(i) that would render the amount written off for bad debts, or the amount of the allowance for doubtful debts in the Group and in the Company inadequate to any substantial extent, and

(ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, and

(iii) that would render any amount stated in the financial statements of the Group and of the Company misleading, and

(iv) which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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

(i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other persons, and

(ii) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial year.

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

EVENT AFTER THE REPORTING PERIOD

Details of event after the reporting period are disclosed in Note 36 to the financial statements.

AUDITORS

The auditors, **Grant Thornton**, have expressed their willingness to continue in office.

Signed in accordance with a resolution of the directors:

....	....
Chuah Chong Boon	**Tuan Haji Abdul Hamid Bin Mohd Hassan**

Penang,

Date: 26 September 2012

DIRECTORS' STATEMENT

We, **Chuah Chong Boon** and **Tuan Haji Abdul Hamid Bin Mohd Hassan**, being two of the directors of **Seal Incorporated Berhad** state that in the opinion of the directors, the financial statements set out on pages 25 to 72 are properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at **30 June 2012** and of their financial performance and cash flows for the financial year then ended.

Signed in accordance with a resolution of the directors:

Chuah Chong Boon	**Tuan Haji Abdul Hamid Bin Mohd Hassan**

Date: 26 September 2012

STATUTORY DECLARATION

I, **Chuah Chong Boon**, the director primarily responsible for the financial management of **Seal Incorporated Berhad** do solemnly and sincerely declare that the financial statements set out on pages 25 to 73 are to the best of my knowledge and belief, 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 in Penang this **26th**)
day of **September 2012**.)

Chuah Chong Boon

Before me,

(t.t.) Goh Suan Bee
No. : P125
Commissioner for Oaths

Report on the Financial Statements

We have audited the financial statements of Seal Incorporated Berhad, which comprise the statements of financial position as at 30 June 2012 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 25 to 72.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of these 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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at **30 June 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 subsidiaries have been properly kept in accordance with the provisions of the Act,
(b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the 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, and
(c) The auditors' reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Reporting Responsibilities

The supplementary information set out in Note 37 on page 73 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.

Grant Thornton
No. AF : 0042
Chartered Accountants

Dato' N. K. Jasani
No. 708/03/14 (J/PH)
Chartered Accountant

Date: 26 September 2012

Penang

		GROUP		COMPANY	
		2012	2011	2012	2011
	NOTE	RM	RM	RM	RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	**6,490,508**	6,250,031	**471,336**	441,353
Investment properties	4	**1,532,147**	1,532,147	**1,494,327**	1,494,327
Land held for development	5	**17,409,641**	17,415,305	**17,409,641**	17,415,305
Investment in subsidiaries	6	**-**	-	**10,373,471**	10,373,471
Other investments	7	**27,986,878**	27,986,718	**27,960,000**	27,960,000
Timber concession	8	**29,011,674**	24,937,288	**11,205,507**	10,664,643
Deferred tax assets	9	**15,421,000**	19,795,746	**12,613,000**	14,230,000
		97,851,848	97,917,235	**81,527,282**	82,579,099
Current assets					
Property development costs	10	**55,292,727**	14,470,733	**-**	-
Inventories	11	**437,660**	61,070	**119,496**	61,070
Trade receivables	12	**13,090,051**	5,123,485	**500,213**	936,966
Accrued billings in respect of property development		**-**	7,350,877	**-**	-
Other receivables	13	**10,120,594**	8,209,423	**6,307,158**	3,466,067
Amount due from subsidiaries	14	**-**	-	**33,528,738**	28,525,554
Tax recoverable		**62,554**	55,650	**-**	-
Other investments	7	**25,408,307**	7,748,935	**19,365,989**	6,676,100
Cash and cash equivalents	15	**40,903,175**	40,904,862	**17,688,425**	23,822,886
		145,315,068	83,925,035	**77,510,019**	63,488,643
TOTAL ASSETS		**243,166,916**	181,842,270	**159,037,301**	146,067,742
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	16	**88,561,074**	80,707,954	**88,561,074**	80,707,954
Share premium	16	**45,448,463**	45,306,309	**45,448,463**	45,306,309
Treasury shares	17	**(1,912,840)**	(1,455,356)	**(1,912,840)**	(1,455,356)
Reserves	18	**405,970**	388,977	**378,860**	367,376
Retained profits	19	**31,627,034**	13,891,260	**19,510,387**	13,706,551
		164,129,701	138,839,144	**151,985,944**	138,632,834
Non-controlling interests		**15,293,477**	3,940,218	**-**	-
Total equity		**179,423,178**	142,779,362	**151,985,944**	138,632,834
Non-current liabilities					
Borrowings	20	**1,885,499**	535,357	**-**	-
Current liabilities					
Trade payables	21	**10,837,110**	4,621,088	**137,286**	155,422
Progress billings in respect of property development		**2,337,190**	7,548,530	**-**	-
Other payables	22	**44,984,143**	26,008,523	**5,661,110**	6,045,356
Amount due to subsidiaries	14	**-**	-	**1,140,961**	1,146,206
Borrowings	20	**208,162**	139,916	**-**	-
Provision for taxation		**3,491,634**	209,494	**112,000**	87,924
		61,858,239	38,527,551	**7,051,357**	7,434,908
Total liabilities		**63,743,738**	39,062,908	**7,051,357**	7,434,908
TOTAL EQUITY AND LIABILITIES		**243,166,916**	181,842,270	**159,037,301**	146,067,742

The notes set out on pages 31 to 72 form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME
for the financial year ended 30 June 2012

		GROUP		COMPANY	
		2012	2011	2012	2011
	NOTE	RM	RM	RM	RM
Revenue	23	**122,684,138**	51,821,452	**35,850,219**	39,709,929
Cost of sales	24	**(74,542,491)**	(37,364,879)	**(25,301,303)**	(27,827,357)
Gross profit		**48,141,647**	14,456,573	**10,548,916**	11,882,572
Other income		**2,888,465**	2,321,834	**2,187,893**	2,182,227
Administrative expenses		**(8,481,005)**	(7,872,992)	**(4,886,573)**	(5,044,170)
Operating profit		**42,549,107**	8,905,415	**7,850,236**	9,020,629
Finance costs		**(34,246)**	(7,441)	**-**	-
Profit before taxation	25	**42,514,861**	8,897,974	**7,850,236**	9,020,629
Taxation	26	**(13,427,491)**	(2,193,046)	**(2,046,400)**	(2,136,808)
Profit for the year		**29,087,370**	6,704,928	**5,803,836**	6,883,821
Other comprehensive income:					
Fair value adjustment on available-for-sale financial assets		**18,656**	19,581	**11,484**	18,149
Total comprehensive income for the year		**29,106,026**	6,724,509	**5,815,320**	6,901,970
Profit/(Loss) attributable to:					
Owners of the parent		**17,735,774**	6,931,701	**5,803,836**	6,883,821
Non-controlling interests		**11,351,596**	(226,773)	**-**	-
		29,087,370	6,704,928	**5,803,836**	6,883,821
Total comprehensive income/(loss) attributable to:					
Owners of the parent		**17,752,767**	6,951,282	**5,815,320**	6,901,970
Non-controlling interests		**11,353,259**	(226,773)	**-**	-
		29,106,026	6,724,509	**5,815,320**	6,901,970
Earnings per share attributable to owners of the parent (sen)	27	**8.98**	3.84		

The notes set out on pages 31 to 72 form an integral part of these financial statements.

		|-------Attributable to Owners of the Parent------|							
		|------Non-distributable------|				|-Distributable-|			
	NOTE	Share Capital RM	Share Premium RM	Treasury Shares RM	Reserves RM	Retained Profits RM	Total RM	Non-controlling Interests RM	Total Equity RM
2012									
Balance at beginning		**80,707,954**	**45,306,309**	**(1,455,356)**	**388,977**	**13,891,260**	**138,839,144**	**3,940,218**	**142,779,362**
Private placement	16	**7,853,120**	**142,154**	**-**	**-**	**-**	**7,995,274**	**-**	**7,995,274**
Purchase of treasury shares	17	**-**	**-**	**(457,484)**	**-**	**-**	**(457,484)**	**-**	**(457,484)**
Total comprehensive income for the year		**-**	**-**	**-**	**16,993**	**17,735,774**	**17,752,767**	**11,353,259**	**29,106,026**
Balance at end		**88,561,074**	**45,448,463**	**(1,912,840)**	**405,970**	**31,627,034**	**164,129,701**	**15,293,477**	**179,423,178**
2011									
Balance at beginning		183,427,167	247,847,064	(1,454,464)	352,940	(307,169,347)	123,003,360	4,166,991	127,170,351
Effect of adopting FRS 139		-	-	-	16,456	-	16,456	-	16,456
		183,427,167	247,847,064	(1,454,464)	369,396	(307,169,347)	123,019,816	4,166,991	127,186,807
Effect of capital reduction	16	(110,056,300)	(204,072,606)	-	-	314,128,906	-	-	-
Private placement	16	7,337,087	1,531,851	-	-	-	8,868,938	-	8,868,938
Purchase of treasury shares	17	-	-	(892)	-	-	(892)	-	(892)
Total comprehensive income for the year		-	-	-	19,581	6,931,701	6,951,282	(226,773)	6,724,509
Balance at end		80,707,954	45,306,309	(1,455,356)	388,977	13,891,260	138,839,144	3,940,218	142,779,362

The notes set out on pages 31 to 72 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
for the financial year ended 30 June 2012

	NOTE	Share Capital RM	Share Premium RM	Treasury Shares RM	Reserves RM	Retained profits RM	Total Equity RM
		Non-distributable				Distributable	
2012							
Balance at beginning		**80,707,954**	**45,306,309**	**(1,455,356)**	**367,376**	**13,706,551**	**138,632,834**
Private placement	16	**7,853,120**	**142,154**	**-**	**-**	**-**	**7,995,274**
Purchase of treasury shares	17	**-**	**-**	**(457,484)**	**-**	**-**	**(457,484)**
Total comprehensive income for the year		**-**	**-**	**-**	**11,484**	**5,803,836**	**5,815,320**
Balance at end		**88,561,074**	**45,448,463**	**(1,912,840)**	**378,860**	**19,510,387**	**151,985,944**
2011							
Balance at beginning		183,427,167	247,847,064	(1,454,464)	352,940	(307,306,176)	122,866,531
Effect of adopting FRS 139		-	-	-	(3,713)	-	(3,713)
		183,427,167	247,847,064	(1,454,464)	349,227	(307,306,176)	122,862,818
Effect of capital reduction	16	(110,056,300)	(204,072,606)	-	-	314,128,906	-
Private placement	16	7,337,087	1,531,851	-	-	-	8,868,938
Purchase of treasury shares	17	-	-	(892)	-	-	(892)
Total comprehensive income for the year		-	-	-	18,149	6,883,821	6,901,970
Balance at end		80,707,954	45,306,309	(1,455,356)	367,376	13,706,551	138,632,834

The notes set out on pages 31 to 72 form an integral part of these financial statements.

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	**42,514,861**	8,897,974	**7,850,236**	9,020,629
Adjustments for:				
Bad debts	**-**	373,419	**-**	373,419
Depreciation	**519,622**	336,114	**84,227**	75,991
Dividend income	**(384,465)**	(244,463)	**(311,479)**	(222,025)
Gain on redemption of investment in unit trusts	**(12,204)**	(358)	**(12,204)**	(358)
Interest expense	**34,246**	7,441	**-**	-
Interest income	**(2,447,472)**	(1,781,836)	**(1,757,807)**	(1,582,901)
Impairment loss on trade receivables	**42,405**	-	**42,405**	-
Impairment loss on sundry deposit	**-**	180,000	**-**	-
Gain on disposal of property, plant and equipment	**-**	(199)	**-**	(199)
Property, plant and equipment written off	**3**	5,065	**3**	1,212
Timber concession cost recognised	**2,830,474**	3,098,067	**2,592,756**	3,098,067
Operating profit before working capital changes	**43,097,470**	10,871,224	**8,488,137**	10,763,835
Decrease/(Increase) in land held for development	**5,664**	(25,853)	**5,664**	(25,853)
Increase in property development costs	**(40,770,565)**	(10,740,255)	**-**	-
Increase/Decrease in accrued billings/progress billings	**2,139,537**	1,906,691	**-**	-
Increase in inventories	**(376,590)**	(61,070)	**(58,426)**	(61,070)
(Increase)/Decrease in receivables	**(9,823,605)**	(1,811,395)	**(2,446,743)**	1,989,329
Increase/(Decrease) in payables	**25,191,642**	20,615,816	**(402,382)**	(1,239,273)
Net change in subsidiaries' balances	**-**	-	**225,659**	(2,307,109)
Cash generated from operations	**19,463,553**	20,755,158	**5,811,909**	9,119,859
Income tax paid	**(5,785,654)**	(436,028)	**(413,516)**	(289,552)
Income tax refund	**8,192**	42,474	**8,192**	42,474
Interest paid	**(85,675)**	(7,441)	**-**	-
Net cash from operating activities	**13,600,416**	20,354,163	**5,406,585**	8,872,781
CASH FLOWS FROM INVESTING ACTIVITIES				
Dividend received	**384,418**	244,436	**311,479**	222,025
Interest received	**2,338,723**	1,771,366	**1,748,522**	1,573,959
Investment in a subsidiary	**-**	-	**-**	(249,998)
Net change in subsidiaries' balances	**-**	-	**(8,207,603)**	(10,421,526)
Payment for timber concession	**(6,904,860)**	(5,293,200)	**(154,860)**	(141,000)
Purchase of unit trusts	**(21,630,821)**	(1,003,253)	**(16,668,350)**	(184,914)
Placement of fixed deposit with a licensed bank	**(10,000)**	-	**(10,000)**	-
Proceeds from disposal of investment in a subsidiary	**-**	-	**-**	1,010,263
Proceeds from disposal of property, plant and equipment	**-**	200	**-**	200
Proceeds from redemption of unit trust	**4,002,149**	-	**4,002,149**	-
Purchase of investment properties	**-**	(262,927)	**-**	(262,927)
* Purchase of property, plant and equipment	**(432,102)**	(289,977)	**(114,213)**	(25,959)
Net cash used in investing activities	**(22,252,493)**	(4,833,355)	**(19,092,876)**	(8,479,877)

The notes set out on pages 31 to 72 form an integral part of these financial statements.

	GROUP		COMPANY	
	2012	2011	2012	2011
	RM	RM	RM	RM
CASH FLOWS FROM FINANCING ACTIVITIES				
Drawdown of term loan	**1,240,000**	-	-	-
Net change in subsidiaries' balances	-	-	**(5,245)**	(1,023,008)
Repayment of finance lease liabilities	**(149,612)**	(27,609)	-	-
Payment of private placement expenses	**(73,807)**	(63,965)	**(73,807)**	(63,965)
Proceeds from issuance of shares	**8,069,081**	8,932,903	**8,069,081**	8,932,903
Purchase of treasury shares	**(457,484)**	(892)	**(457,484)**	(892)
Net cash from financing activities	**8,628,178**	8,840,437	**7,532,545**	7,845,038
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(23,899)**	24,361,245	**(6,153,746)**	8,237,942
CASH AND CASH EQUIVALENTS AT BEGINNING	**40,490,118**	16,128,873	**23,501,096**	15,263,154
CASH AND CASH EQUIVALENTS AT END	**40,466,219**	40,490,118	**17,347,350**	23,501,096
Represented by:				
Deposits with licensed banks	**35,609,390**	37,628,626	**15,053,728**	22,268,106
Cash and bank balances	**4,856,829**	2,861,492	**2,293,622**	1,232,990
	40,466,219	40,490,118	**17,347,350**	23,501,096
* **Purchase of property plant and equipment**				
Total acquisition cost	**760,102**	903,977	**114,213**	25,959
Acquisition under finance lease	**(328,000)**	(614,000)	-	-
Total cash acquisition	**432,102**	289,977	**114,213**	25,959

The notes set out on pages 31 to 72 form an integral part of these financial statements.

1. CORPORATE INFORMATION

General

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 of the Company is located at 55 Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak.

The principal place of business of the Company is located at A-8-1 Lorong Bayan Indah 4, 11900 Bayan Lepas, Penang.

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

Principal Activities

The principal activities of the Company consist of property investment, building contractors, project managers for property development, trading of goods and extraction and sale of timber.

The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

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

2. SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies adopted by the Group and by the Company are consistent with those adopted in the previous financial year unless otherwise indicated below.

2.1 Basis of Preparation

The financial statements of the Group and of the Company are prepared under the historical cost convention unless otherwise indicated in the accounting policies below and in accordance with applicable Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia.

At the beginning of the current financial year, the Group and the Company have adopted new and revised FRSs which are mandatory for the reporting period as described fully in Note 2.3.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Group's and the Company's functional currency.

2.2 Significant Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2.2.1 Judgements made in applying accounting policies

There are no significant areas of critical judgement in applying accounting policies that have a significant effect on the amount recognised in the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Significant Accounting Estimates and Judgements (cont'd)

2.2.2 Key sources of estimation uncertainty

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

(i) Useful lives of depreciable assets

The depreciable costs of plant and equipment are allocated on the straight line basis over their estimated useful lives. Management estimates the useful lives of these assets to be within 5 to 20 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and residual values of these assets affecting future depreciation charges.

(ii) Impairment of loans and receivables

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

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience of assets with similar credit risk characteristics.

(iii) Property development

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

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

(iv) Timber concession

Timber concession costs charged to profit or loss are based on quantity of timber extracted over the estimated quantity of timber available for extraction.

Significant judgement is required in determining the total estimated quantity of timber available for extraction. In making the judgement, the Group and the Company evaluate based on past experience and by relying on the work of specialists.

(v) Income taxes

The Group and the Company are subject to income taxes whereby significant judgement is required in determining the provision for taxation. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise liabilities for tax based on estimates of assessment of the tax liability due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(vi) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Adoption of Amendments/Improvements to FRSs, IC Interpretations ("IC Int") and Amendments to IC Int

During the financial year, the Group and the Company adopted the following amendments/improvements to FRSs, IC Int and amendments to IC Int that are mandatory for the current financial year:

Amendments/Improvements to FRSs

FRS 1	Limited Exemption from Comparative FRS 7 Disclosure for First-time Adopters
FRS 2	Group Cash-settled Share-based Payment Transactions
FRS 3	Business Combinations
FRS 7	Improving Disclosures about Financial Instruments
FRS 101	Presentation of Financial Statements
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 128	Investments in Associates
FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments : Presentation
FRS 134	Interim Financial Reporting
FRS 139	Financial Instruments : Recognition and Measurement

IC Int

IC Int 4	Determining Whether an Arrangement contains a Lease
IC Int 18	Transfers of Assets from Customers
IC Int 19	Extinguishing Financial Liabilities with Equity Instruments

Amendments to IC Int

IC Int 13	Customer Loyalty Programmes
IC Int 14	Prepayments of a Minimum Funding Requirement

Initial application of the above standards, amendments and interpretations did not have any material impact on the financial statements of the Group and of the Company.

2.4 Standards Issued But Not Yet Effective

New Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards

To converge with International Financial Reporting Standards ("IFRSs") in 2012, the MASB had on 19 November 2011, issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRSs"), which are mandatory for annual financial periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer ("Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRSs for an additional two years. Consequently, adoption of the MFRSs by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014. The Group and the Company qualify as Transitioning Entities and are therefore required to adopt the MFRSs for the financial period beginning on or after 1 July 2014.

The Group and the Company have not early adopted the MFRSs.

In presenting its first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of MFRSs. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group and the Company have not completed its quantification of the financial effects of the differences between FRSs and the MFRSs and is in the process of assessing the financial effects of the differences. Accordingly, the financial performance and financial position as disclosed in these financial statements for the financial year ended 30 June 2012 could be different if prepared under the MFRSs.

The Group and the Company expect to be in a position to fully comply with the requirements of the MFRSs for the financial year ending 30 June 2015.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.5 Subsidiaries and Basis of Consolidation

Subsidiaries

Subsidiaries are those companies in which the Group has a long term equity interest and where it has power to exercise control over the financial and operating activities so as to obtain benefits therefrom.

Investment in subsidiaries which is eliminated on consolidation is stated at cost or valuation less accumulated impairment losses in the Company's financial statements.

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

Basis of Consolidation

The financial statements of the Group include the audited financial statements of the Company and all its subsidiaries made up to the end of the financial year.

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

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

The Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred, plus
- the recognised amount of any non-controlling interest in the acquiree, plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree, less
- the net recognised amount at fair value of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised in profit or loss.

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

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

In a business combination achieved in stages, the previously held equity interest in the acquiree is re-measured at its acquisition date at fair value and the resulting gain or loss is recognised in the profit or loss.

Non-controlling interest is the equity in a subsidiary not attributable, directly or indirectly, to a parent. At the end of reporting period, non-controlling interest consists of amount calculated on the date of combination and its share of changes in the subsidiary's equity since the date of combination.

All earnings and losses of the subsidiary are attributed to the parent and the non-controlling interest, even if the attribution of losses to the non-controlling interest results in a debit balance in the shareholders' equity.

Accounting for changes in non-controlling interest

The Group treats all changes in its ownership in a subsidiary that does not result in a loss of control as equity transactions between the Group and the non-controlling interest. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted against Group's reserves.

2.6 Property, Plant and Equipment

Property, plant and equipment are initially stated at cost. Certain property, plant and equipment are subsequently shown at valuation based on valuations by external independent valuers, less subsequent depreciation and accumulated impairment losses. All other property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.6 Property, Plant and Equipment (cont'd)

Surpluses arising on revaluation are credited to asset revaluation reserve. Any deficit arising from revaluation is charged against the revaluation reserve to the extent of a previous surplus held in the asset revaluation reserve for the same asset. In all other cases, a decrease in carrying amount is recognised in profit or loss.

Property, plant and equipment are depreciated on the straight line method to write off the cost of each asset to its residual value over its estimated useful life at the following annual rates:

Long leasehold land	Amortised over the lease period of 88 years
Leasehold shoplot	Amortised over the lease period of 59 years
Factory building	2%
Plant and machinery	5% - 20%
Electrical installation	10%
Office equipment, furniture and fittings	5% - 20%
Motor vehicles	10% - 20%

Long leasehold land refers to land with an unexpired lease period of fifty years or more determined as at the end of the reporting period.

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

Upon the disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is included in profit or loss.

2.7 Leases

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time.

(i) Finance lease

A finance lease which includes hire purchase arrangement, is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset to the leasee. Title may or may not eventually be transferred.

Plant and equipment acquired by way of finance leases are stated at amounts equal to the lower of their fair values and the present value of minimum lease payments at the inception of the leases, less accumulated depreciation and any impairment losses.

In calculating the present value of the minimum lease payments, the discount rate is the interest rate implicit in the lease, if this is determinable; if not, the Group's incremental borrowing rate is used.

(ii) Operating lease

An operating lease is a lease other than finance lease.

Operating lease income or operating lease rental are credited or charged to profit or loss on a straight line basis over the period of the lease.

2.8 Investment Properties

Investment properties are properties which are held to earn rental income or for capital appreciation or both.

Investment properties are measured initially at cost and subsequently at fair value with any change therein recognised in profit or loss for the period in which they arise.

Upon the disposal of an item of investment property, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.9 Land Held for Development and Property Development Costs

Land held for development

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

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

Property development costs

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

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

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

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

Property development costs not recognised as expenses are recognised as assets, which are measured at the lower of cost and net realisable value.

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

2.10 Timber Concession

Timber concession is the cost of timber logs to be extracted and/or rights conferred for timber extraction and are stated at cost. Timber concession cost is charged to profit or loss based on the percentage of the volume of timber extracted compared to the total estimated volume of timber available for extraction.

2.11 Impairment of Non-Financial Assets

The Group and the Company assess at the end of each reporting period whether there is an indication that an asset may be impaired.

For the purpose of impairment testing, recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the profit or loss except for assets that were previously revalued where the revaluation surplus 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 surplus.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.11 Impairment of Non-Financial Assets (cont'd)

An impairment loss for an asset is reversed if, and 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. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset 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.

2.12 Financial Instruments

2.12.1 Initial recognition and measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transactions costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

2.12.2 Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

(a) Loans and receivables

Loans and receivables category comprises debt instruments that are not quoted in an active market.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

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

(b) Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group and the Company have the positive intention and ability to hold the investment to maturity. The Group's and the Company's Institutional Trust Account is designated into this category with a maturity period of 10 years.

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using effective interest method, except for short-term receivables when the recognition of interest would be immaterial. 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 end of the reporting period which are classified as current.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.12 Financial Instruments (cont'd)

2.12.2 Financial instrument categories and subsequent measurement (cont'd)

(c) Available-for-sale financial assets

Available-for-sale category comprises investment in equity and debt securities instruments.

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.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair value with the gain or loss recognised in profit or loss.

2.12.3 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are classified as deferred income and are amortised to profit or loss using a straight-line method over the contractual period or, when there is no specified contractual period, recognised in profit or loss upon discharge of the guarantee. When settlement of a financial guarantee contract becomes probable, an estimate of the obligation is made. If the carrying value of the financial guarantee contract is lower than the obligation, the carrying value is adjusted to the obligation amount and accounted for as a provision.

2.12.4 Regular way purchase or sale of financial assets

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.12 Financial Instruments (cont'd)

2.12.5 Derecognition

A financial asset or part of it is derecognised, when and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.12.6 Impairment of Financial Assets

All financial assets (except for financial assets categorised as fair value through profit or loss and investment in subsidiaries) are assessed at the end of each reporting period whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment.

An impairment loss in respect of loans and receivables and held-to-maturity investments is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity to profit or loss.

An impairment loss in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale is not reversed through profit or loss.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

2.13 Inventories

(a) Inventories of completed properties

Inventories of completed properties are stated at the lower of cost and net realisable value. Cost is determined on the specific identification basis and includes cost of land, construction, development costs and appropriate overheads. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs to completion and the estimated costs necessary to make the sale.

(b) Inventories of logs

Inventories of logs are stated at the lower of cost, which is determined on the weighted average basis, and net realisable value. Cost includes the related timber concession cost plus the cost of bringing the inventories to their present location and condition. Net realisable value is based on estimated selling price less all estimated costs to be incurred in marketing, selling and distribution.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.14 Cash and Cash Equivalents

Cash comprises cash in hand, cash at bank and demand deposits. Cash equivalents are short term and highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value, against which bank overdraft balances, if any, are deducted.

2.15 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event 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 the end of each reporting period 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.

2.16 Income Recognition

Sale of goods

Revenue from invoiced value of goods sold is recognised when significant risks and ownership have been transferred to the customers.

Property development revenue

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

Revenue from sale of completed development properties is recognised upon the finalisation of sale and purchase agreements and when the risk and rewards of ownership have been transferred to the buyer.

Rental and interest income

These income are recognised on the accrual basis.

Dividend income

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

Provision of services

Provision of services are recognised when services are rendered.

2.17 Employee Benefits

Short term benefits

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

Defined contribution plans

As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as expenses as and when incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.18 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Company incurred in connection with the borrowing of funds.

2.19 Income Tax

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

Deferred tax is provided for, using the liability method, on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of the reporting period. Deferred tax is recognised in profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

2.20 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.

2.21 Treasury Shares

When shares of the Company, that have not been cancelled, recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount is recognised in equity.

2.22 Segment Reporting

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

2.23 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 events not wholly within the control of the Group and of the Company.

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

3. PROPERTY, PLANT AND EQUIPMENT

GROUP

	At valuation		At cost						
	Long leasehold land RM	Factory building RM	Factory building RM	Leasehold shoplot RM	Plant and machinery RM	Electrical installation RM	Office equipment, furniture and fittings RM	Motor vehicles RM	Total RM
2012									
At valuation/cost									
Balance at beginning	1,019,730	5,183,266	1,410,541	337,114	8,692,158	1,105,811	4,162,242	1,932,548	23,843,410
Additions	-	-	-	10,500	19,300	-	315,923	414,379	760,102
Written off	-	-	-	-	-	-	(22,060)	-	(22,060)
Balance at end	1,019,730	5,183,266	1,410,541	347,614	8,711,458	1,105,811	4,456,105	2,346,927	24,581,452
Accumulated depreciation									
Balance at beginning	79,413	2,927,901	1,340,722	-	7,410,018	1,081,268	3,723,914	1,030,143	17,593,379
Current charge	15,175	102,516	2,064	5,758	84,103	3,273	105,093	201,640	519,622
Written off	-	-	-	-	-	-	(22,057)	-	(22,057)
Balance at end	94,588	3,030,417	1,342,786	5,758	7,494,121	1,084,541	3,806,950	1,231,783	18,090,944
Carrying amount	925,142	2,152,849	67,755	341,856	1,217,337	21,270	649,155	1,115,144	6,490,508

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

GROUP

	At valuation		At cost						
	Long leasehold land RM	**Factory building RM**	**Factory building RM**	**Leasehold shoplot RM**	**Plant and machinery RM**	**Electrical installation RM**	**Office equipment, furniture and fittings RM**	**Motor vehicles RM**	**Total RM**
2011									
At valuation/cost									
Balance at beginning	1,019,730	5,183,266	1,410,541	-	8,694,758	1,105,811	4,018,161	1,178,315	22,610,582
Additions	-	-	-	-	-	-	149,744	754,233	903,977
Transfer from property development costs (Note 10)	-	-	-	337,114	-	-	-	-	337,114
Disposal	-	-	-	-	-	-	(2,500)	-	(2,500)
Written off	-	-	-	-	(2,600)	-	(3,163)	-	(5,763)
Balance at end	1,019,730	5,183,266	1,410,541	337,114	8,692,158	1,105,811	4,162,242	1,932,548	23,843,410
Accumulated depreciation									
Balance at beginning	63,732	2,825,384	1,338,658	-	7,327,303	1,077,995	3,651,670	975,720	17,260,462
Current charge	15,681	102,517	2,064	-	82,834	3,273	75,322	54,423	336,114
Disposal	-	-	-	-	-	-	(2,499)	-	(2,499)
Written off	-	-	-	-	(119)	-	(579)	-	(698)
Balance at end	79,413	2,927,901	1,340,722	-	7,410,018	1,081,268	3,723,914	1,030,143	17,593,379
Carrying amount	940,317	2,255,365	69,819	337,114	1,282,140	24,543	438,328	902,405	6,250,031

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

COMPANY

	Plant and machinery RM	Electrical installation RM	Office equipment, furniture and fittings RM	Motor vehicles RM	Total RM
2012					
At cost					
Balance at beginning	**266,659**	**32,727**	**3,966,126**	**414,498**	**4,680,010**
Additions	**19,300**	**-**	**94,913**	**-**	**114,213**
Written off	**-**	**-**	**(22,060)**	**-**	**(22,060)**
Balance at end	**285,959**	**32,727**	**4,038,979**	**414,498**	**4,772,163**
Accumulated depreciation					
Balance at beginning	**162,964**	**8,196**	**3,662,215**	**405,282**	**4,238,657**
Current charge	**9,288**	**3,273**	**70,016**	**1,650**	**84,227**
Written off	**-**	**-**	**(22,057)**	**-**	**(22,057)**
Balance at end	**172,252**	**11,469**	**3,710,174**	**406,932**	**4,300,827**
Carrying amount	**113,707**	**21,258**	**328,805**	**7,566**	**471,336**
2011					
At cost					
Balance at beginning	266,659	32,727	3,943,966	414,498	4,657,850
Additions	-	-	25,959	-	25,959
Disposal	-	-	(2,500)	-	(2,500)
Written off	-	-	(1,299)	-	(1,299)
Balance at end	266,659	32,727	3,966,126	414,498	4,680,010
Accumulated depreciation					
Balance at beginning	154,954	4,923	3,601,743	403,632	4,165,252
Current charge	8,010	3,273	63,058	1,650	75,991
Disposal	-	-	(2,499)	-	(2,499)
Written off	-	-	(87)	-	(87)
Balance at end	162,964	8,196	3,662,215	405,282	4,238,657
Carrying amount	103,695	24,531	303,911	9,216	441,353

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

GROUP

(i) The long leasehold land and factory building of the Group stated at valuation was last revalued in the year 1983 by an independent firm of professional valuers, based on the open market value method. As permitted under the transitional provisions of International Accounting Standard No. 16 (Revised) : Property, Plant and Equipment, these assets continue to be stated at their 1983 valuation less accumulated depreciation and accumulated impairment losses.

The carrying amount of revalued properties of the Group that would have been included in the financial statements, had these assets been carried at cost less accumulated depreciation are as follows:

	GROUP	
	2012	**2011**
	RM	**RM**
Long leasehold land	**88,242**	90,077
Factory building	**597,821**	641,830

(ii) The carrying amount of motor vehicles acquired under finance lease is **RM1,059,597** (2011 : RM832,584). The leased assets are pledged as securities for the related finance lease liabilities (Note 20).

4. INVESTMENT PROPERTIES

	GROUP		COMPANY	
	2012	**2011**	**2012**	**2011**
	RM	**RM**	**RM**	**RM**
Balance at beginning	**1,532,147**	1,269,220	**1,494,327**	1,231,400
Additions	**-**	262,927	**-**	262,927
Balance at end	**1,532,147**	1,532,147	**1,494,327**	1,494,327
Included in the above are:				
At fair value				
Freehold land	**262,927**	262,927	**262,927**	262,927
Freehold shoplots	**1,231,400**	1,231,400	**1,231,400**	1,231,400
Leasehold building	**37,820**	37,820	**-**	-
	1,532,147	1,532,147	**1,494,327**	1,494,327

The fair values of all investment properties are determined based on assessment of current prices in an active market.

The investment properties have not been rented out and the related direct operating expenses are insignificant.

5. LAND HELD FOR DEVELOPMENT

	GROUP AND COMPANY 2012 RM	2011 RM
Land, at cost	**17,060,055**	17,060,055
Property development costs		
Balance at beginning	**355,250**	329,397
Additions - current year	**25,852**	25,853
- rebate during the year	**(31,516)**	-
Balance at end	**349,586**	355,250
	17,409,641	17,415,305
Represented by :		
Freehold land	**7,920,430**	7,920,430
Long leasehold land	**9,139,625**	9,139,625
Property development costs	**349,586**	355,250
	17,409,641	17,415,305

6. INVESTMENT IN SUBSIDIARIES

	COMPANY 2012 RM	2011 RM
Unquoted shares, at cost	**10,261,106**	10,261,106
Less : Impairment loss	**(4,415,622)**	(4,415,622)
	5,845,484	5,845,484
Unquoted shares, at valuation	**11,234,545**	11,234,545
Less : Impairment loss	**(6,706,558)**	(6,706,558)
	4,527,987	4,527,987
	10,373,471	10,373,471

Details of the subsidiaries which are all incorporated in Malaysia are as follows:

Name of Company	Effective Equity Interest 2012 %	2011 %	Principal Activities
Great Eastern Mills Berhad	**51**	51	Extraction and sale of timber and property development.
Sam Koh Company Sdn. Bhd.	**100**	100	Extraction and sale of timber.
Seal Ventures Sdn. Bhd.	**100**	100	Property development.
Seal Trading Corporation Sdn. Berhad	**100**	100	Trading of timber.

6. INVESTMENT IN SUBSIDIARIES (cont'd)

Name of Company	Effective Equity Interest 2012 %	2011 %	Principal Activities
Seal Services Corporation Sdn. Bhd.	**100**	100	Ceased operations.
SM Management Sdn. Bhd.	**100**	100	Providing administrative services.
Seal Development Sdn. Bhd.	**100**	100	Property management services.
Seal Land Sdn. Bhd.	**100**	100	Property development.
Seal Properties Sdn. Bhd.	**100**	100	Dormant.
Maynah Sdn. Bhd.	**100**	100	Property investment.
Indirect-held through Great Eastern Mills Berhad			
Kelantan Lumber Products Sdn. Berhad	**60**	60	Sawmilling and provision of sawing services and extraction and sales of timber.
Gem Board Sendirian Berhad	**60**	60	Dormant.
Indirect-held through Seal Properties Sdn. Bhd.			
Seal Lifestyle Development Sdn. Bhd.	**51**	51	Property development.
Seal Concepts Sdn. Bhd.	**51**	51	Property development.
Seal Properties (Bayan City) Sdn. Bhd.	**51**	51	Property development.
Indirect-held through Seal Services Corporation Sdn. Bhd.			
Great Eastern Mills Berhad	**9**	9	Extraction and sale of timber and property development.

2011

(i) On 5 January 2011, Seal Land Sdn. Bhd., a wholly-owned subsidiary of the Company increased its issued and paid-up capital from RM2 to RM250,000 by way of allotment of 249,998 new ordinary shares of RM1 each at par for cash to the Company.

(ii) On 13 June 2011, the Company disposed of 9% equity interest in Great Eastern Mills Berhad comprising 2,238,705 ordinary shares of RM1 each of the issued and paid-up capital for a total consideration of RM1,010,263 to Seal Services Corporation Sdn. Bhd., a wholly-owned subsidiary of the Company.

7. OTHER INVESTMENTS

	GROUP 2012 RM	GROUP 2011 RM	COMPANY 2012 RM	COMPANY 2011 RM
(a) Held-to-maturity ("HTM") investments:				
At cost:				
Institutional Trust Account	**27,960,000**	27,960,000	**27,960,000**	27,960,000
(b) Available-for-sale ("AFS") financial assets:				
At fair value:				
Quoted shares in Malaysia	**26,878**	26,718	**-**	-
Unit trusts	**25,408,307**	7,748,935	**19,365,989**	6,676,100
Total available-for-sale financial assets	**25,435,185**	7,775,653	**19,365,989**	6,676,100
Total investments	**53,395,185**	35,735,653	**47,325,989**	34,636,100
Analysed as:				
Non-current	**27,986,878**	27,986,718	**27,960,000**	27,960,000
Current	**25,408,307**	7,748,935	**19,365,989**	6,676,100
	53,395,185	35,735,653	**47,325,989**	34,636,100

Carrying values of the investments are as follows:

	HTM RM	AFS RM	Total RM
GROUP			
2012			
Balance at beginning	**27,960,000**	**7,775,653**	**35,735,653**
Additions	**-**	**21,630,821**	**21,630,821**
Redemption	**-**	**(3,989,945)**	**(3,989,945)**
Fair value adjustment	**-**	**18,656**	**18,656**
Balance at end	**27,960,000**	**25,435,185**	**53,395,185**
Market value	**-***	**25,435,185**	
2011			
Balance at beginning	27,960,000	6,736,005	34,696,005
Effect of adopting FRS 139	-	16,456	16,456
	27,960,000	6,752,461	34,712,461
Additions	-	1,003,611	1,003,611
Fair value adjustment	-	19,581	19,581
Balance at end	27,960,000	7,775,653	35,735,653
Market value	-*	7,775,653	

7. OTHER INVESTMENTS (cont'd)

	HTM RM	AFS RM	Total RM
COMPANY			
2012			
Balance at beginning	**27,960,000**	**6,676,100**	**34,636,100**
Additions	**-**	**16,668,350**	**16,668,350**
Redemption	**-**	**(3,989,945)**	**(3,989,945)**
Fair value adjustment	**-**	**11,484**	**11,484**
Balance at end	**27,960,000**	**19,365,989**	**47,325,989**
Market value	**-***	**19,365,989**	
2011			
Balance at beginning	27,960,000	6,476,392	34,436,392
Effect of adopting FRS 139	-	(3,713)	(3,713)
	27,960,000	6,472,679	34,432,679
Additions	-	185,272	185,272
Fair value adjustment	-	18,149	18,149
Balance at end	27,960,000	6,676,100	34,636,100
Market value	-*	6,676,100	

* The market value of ITA cannot be determined based on observable market data and hence the carrying value is stated at cost.

The Institutional Trust Account (ITA) is earmarked as a security deposit for the lease of a shopping complex which the Company has sold to Amanah Raya Berhad pursuant to the sale and purchase agreement dated 17 January 2006.

The effective interest rate of the ITA at the end of the reporting period is **4.25%** (2011 : 4.25%) per annum.

8. TIMBER CONCESSION

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
At cost				
Balance at beginning	**24,937,288**	22,742,155	**10,664,643**	8,240,410
Additions	**6,904,860**	5,293,200	**154,860**	141,000
Assigned from a subsidiary	**-**	-	**2,978,760**	5,381,300
	31,842,148	28,035,355	**13,798,263**	13,762,710
Cost recognised in profit or loss	**(2,830,474)**	(3,098,067)	**(2,592,756)**	(3,098,067)
Balance at end	**29,011,674**	24,937,288	**11,205,507**	10,664,643

9. DEFERRED TAX ASSETS

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Balance at beginning	**19,795,746**	21,463,000	**14,230,000**	16,061,000
Transfer to profit or loss	**(4,271,746)**	(1,778,674)	**(1,518,000)**	(1,889,422)
	15,524,000	19,684,326	**12,712,000**	14,171,578
(Over)/Under provision in prior year	**(103,000)**	111,420	**(99,000)**	58,422
Balance at end	**15,421,000**	19,795,746	**12,613,000**	14,230,000

The net deferred tax assets are represented by temporary differences arising from:

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Property, plant and equipment	**(184,000)**	(171,038)	**(47,000)**	(43,329)
Unabsorbed tax losses	**3,819,000**	8,136,980	**874,000**	2,490,178
Unabsorbed capital allowances	**11,786,000**	11,829,804	**11,786,000**	11,783,151
	15,421,000	19,795,746	**12,613,000**	14,230,000

10. PROPERTY DEVELOPMENT COSTS

	GROUP	
	2012 RM	2011 RM
Balance at beginning		
Long leasehold land, at valuation	**626,340**	790,434
Freehold land, at cost	**4,172,094**	-
Development costs	**14,710,559**	10,848,437
	19,508,993	11,638,871
Cost incurred during the year		
Freehold land, at cost	**37,103,550**	4,172,094
Development costs	**51,004,085**	13,951,135
	88,107,635	18,123,229
	107,616,628	29,762,100
Transfer to property, plant and equipment (Note 3)	-	(337,114)
Unsold units transferred to inventories (Note 11)	**(318,164)**	-
Reversal of completed project	**(3,969,362)**	(9,915,993)
Balance carried forward	**103,329,102**	19,508,993

10. PROPERTY DEVELOPMENT COSTS (cont'd)

	GROUP 2012 RM	GROUP 2011 RM
Balance brought forward	**103,329,102**	19,508,993
Cost recognised in profit or loss		
Balance at beginning	**(5,038,260)**	(7,571,279)
Recognised during the year	**(46,967,477)**	(7,382,974)
Reversal of completed project	**3,969,362**	9,915,993
Balance at end	**(48,036,375)**	(5,038,260)
Balance at end	**55,292,727**	14,470,733
Represented by:		
Freehold land	**41,275,644**	4,172,094
Long leasehold land	**542,734**	626,340
Development costs	**61,510,724**	14,710,559
Costs recognised in profit or loss	**(48,036,375)**	(5,038,260)
	55,292,727	14,470,733

(i) A subsidiary of the Company, Seal Properties (Bayan City) Sdn. Bhd. ("SPBC") has on 16 December 2009 and 14 February 2011 entered into a Joint Venture Agreement and a Supplemental Agreement (collectively referred to as the "JV Agreements") with Koperasi Tunas Muda Sungai Ara Berhad ("the Landowner") to develop part of the Landowner's land in Penang. As at 30 June 2012, SPBC has made a provision for land cost amounting to RM37,103,550 (Note 22) pursuant to the terms and conditions of the JV Agreements.

(ii) On 16 December 2009 and on 14 February 2011, certain subsidiaries of the Company have entered into Lease Agreements and a Deed of Assignment cum Supplemental Agreement (collectively referred to as the "Lease Agreements") with Koperasi Tunas Muda Sungai Ara Berhad ("the Landowner") to lease part of the Landowner's land in Penang. The commencement of the lease is conditional upon certain terms and conditions, of which have yet to be fulfilled as at 30 June 2012.

(iii) Freehold land amounting to **RM1,786,619** (2011 : RM Nil) is pledged to a financial institution as security for term loan facility granted to Seal Land Sdn. Bhd., a wholly-owned subsidiary.

(iv) Included in property development costs incurred during the financial year is interest expense of **RM51,429** (2011 : RM Nil).

11. INVENTORIES

	GROUP 2012 RM	GROUP 2011 RM	COMPANY 2012 RM	COMPANY 2011 RM
At cost				
Logs	**119,496**	61,070	**119,496**	61,070
Completed development properties	**318,164**	-	**-**	-
	437,660	61,070	**119,496**	61,070

12. TRADE RECEIVABLES

	GROUP 2012 RM	GROUP 2011 RM	COMPANY 2012 RM	COMPANY 2011 RM
Trade receivables	**34,171,878**	26,335,085	**14,082,040**	14,648,566
Less : Impairment loss				
Balance at beginning	**(21,211,600)**	(21,211,600)	**(13,711,600)**	(13,711,600)
Current year	**(42,405)**	-	**(42,405)**	-
Written off	**172,178**	-	**172,178**	-
Balance at end	**(21,081,827)**	(21,211,600)	**(13,581,827)**	(13,711,600)
	13,090,051	5,123,485	**500,213**	936,966
Analysed as:				
* Interest bearing	**96,537**	-	**-**	-
Non-interest bearing	**12,993,514**	5,123,485	**500,213**	936,966
	13,090,051	5,123,485	**500,213**	936,966

* Interest is charged at **10%** (2011 : Nil) per annum on overdue outstanding balance.

The credit terms granted to trade receivables are as follows:

(i) Property development : Credit term for completed development properties is generally for a period of three months, extending up to four months while the term in respect of progress billings range from **14 to 21 days** (2011 : 14 to 31 days) from the date of progress billings.

(ii) Timber and others : Credit term for other business activities range from **7 to 90 days** (2011 : 7 to 90 days).

13. OTHER RECEIVABLES

	GROUP 2012 RM	GROUP 2011 RM	COMPANY 2012 RM	COMPANY 2011 RM
Other receivables	**3,958,323**	4,066,658	**3,373,154**	3,473,154
Less : Impairment loss	**(885,120)**	(885,120)	**(769,849)**	(769,849)
	3,073,203	3,181,538	**2,603,305**	2,703,305
Refundable deposits	**1,755,573**	1,290,268	**16,150**	16,150
Less : Impairment loss	**(180,000)**	(180,000)	**-**	-
	1,575,573	1,110,268	**16,150**	16,150
Prepayments	**20,389,158**	18,834,957	**18,605,043**	15,663,952
Less : Impairment loss	**(14,917,340)**	(14,917,340)	**(14,917,340)**	(14,917,340)
	5,471,818	3,917,617	**3,687,703**	746,612
	10,120,594	8,209,423	**6,307,158**	3,466,067

14. AMOUNT DUE FROM/TO SUBSIDIARIES

	COMPANY 2012 RM	COMPANY 2011 RM
Amount due from subsidiaries		
- Trade related	**2,392,818**	2,618,477
- Non-trade related	**31,196,000**	25,967,157
Less : Impairment loss	**(60,080)**	(60,080)
	31,135,920	25,907,077
	33,528,738	28,525,554
Amount due to subsidiaries		
- Non-trade related	**1,140,961**	1,146,206

The non-trade related amount is unsecured, non-interest bearing and is repayable on demand.

15. CASH AND CASH EQUIVALENTS

	GROUP 2012 RM	GROUP 2011 RM	COMPANY 2012 RM	COMPANY 2011 RM
Unencumbered				
Deposits with licensed banks	**35,609,390**	37,628,626	**15,053,728**	22,268,106
Cash and bank balances	**4,856,349**	2,861,492	**2,293,622**	1,232,990
	40,465,739	40,490,118	**17,347,350**	23,501,096
Encumbered				
(i) Deposits with licensed banks	**436,956**	414,744	**341,075**	321,790
(ii) Cash and bank balances	**480**	-	**-**	-
	437,436	414,744	**341,075**	321,790
	40,903,175	40,904,862	**17,688,425**	23,822,886

(i) The deposits are pledged to licensed banks as security for bank guarantees granted to the Company and certain subsidiaries.

(ii) This amount consist of monies available in the Project Development Account and is assigned and charged as security for a term loan facility granted by a financial institution to a subsidiary. See Note 20.

The effective interest rates per annum and maturities of deposits with licensed banks at the end of the reporting period are as follows:

	GROUP 2012	GROUP 2011	COMPANY 2012	COMPANY 2011
Interest rates (% per annum)	**0.50 to 3.20**	2.20 to 3.60	**2.75 to 3.20**	2.75 to 3.60
Maturities (days)	**1 to 365**	7 to 365	**30 to 365**	30 to 365

16. SHARE CAPITAL AND SHARE PREMIUM

GROUP AND COMPANY

Share capital

	Number of ordinary shares of RM0.40 each		Amount	
	2012	**2011**	**2012**	**2011**
	RM	**RM**	**RM**	**RM**
Authorised:				
Balance at beginning	**500,000,000**	500,000,000	**200,000,000**	500,000,000
Par value reduction	-	-	-	(300,000,000)
Balance at end	**500,000,000**	500,000,000	**200,000,000**	200,000,000
Issued and fully paid:				
Balance at beginning	**201,769,884**	183,427,167	**80,707,954**	183,427,167
Par value reduction	-	-	-	(110,056,300)
	201,769,884	183,427,167	**80,707,954**	73,370,867
Private placement	**19,632,800**	18,342,717	**7,853,120**	7,337,087
Balance at end	**221,402,684**	201,769,884	**88,561,074**	80,707,954

Share premium

	GROUP AND COMPANY	
	2012	**2011**
	RM	**RM**
Balance at beginning	**45,306,309**	247,847,064
Adjustment due to capital reduction exercise	**-**	(204,072,606)
Issue of shares arising from private placement	**215,961**	1,595,816
Less : Share issue expenses	**(73,807)**	(63,965)
Balance at end	**45,448,463**	45,306,309

Private placement

The Company obtained approvals for its private placement exercise from the shareholders and Bursa Malaysia Securities Berhad on 8 December 2011 and 11 June 2012 respectively.

The Company issued **19,632,800** (2011 : 18,342,717) ordinary shares of **RM0.40** (2011 : RM0.40) each through private placement at an average issue price of **RM0.411** (2011 : RM0.487) per ordinary share for cash, for additional working capital purposes. The share premium arising from this private placement amounted to **RM215,961** (2011 : RM1,595,816).

17. TREASURY SHARES

The shareholders of the Company, by a resolution passed at the Annual General Meeting held on 16 November 2007, approved the Company's plan and mandate to authorise the Directors of the Company to buy back its own shares up to 10% of the existing total issued and paid up share capital. This mandate was renewed at the Annual General Meeting of the Company, held on 8 December 2011.

The details of the shares repurchased during the year are as follows:

	Price per share				
Month	**Lowest**	**Highest**	**Average**	**Number of shares**	**Total consideration RM**
August 2011	0.42	0.42	0.42	10,000	4,191
September 2011	0.40	0.42	0.41	435,800	178,372
October 2011	0.40	0.41	0.41	572,100	231,816
March 2012	0.42	0.43	0.43	100,100	43,105
				1,118,000	457,484

During the financial year, the Company repurchased **1,118,000** (2011 : 2,000) of its issued ordinary shares from the open market at an average price of **RM0.41** (2011 : RM0.45) per share for a total consideration of **RM457,484** (2011 : RM892). The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

Of the total **221,402,684** (2011 : 201,769,884) issued and fully paid ordinary shares as at 30 June 2012, **5,441,500** (2011 : 4,323,500) are held as treasury shares by the Company. As at 30 June 2012, the number of outstanding ordinary shares in issue and fully paid after the set off is therefore **215,961,184** (2011 : 197,446,384) ordinary shares of **RM0.40** (2011 : RM0.40) each.

Treasury shares have no rights to voting, dividends and participation in other distribution.

18. RESERVES

	GROUP		COMPANY	
	2012 RM	**2011 RM**	**2012 RM**	**2011 RM**
Non-distributable:				
(i) Asset revaluation reserve				
Balance at beginning/end	**352,940**	352,940	**352,940**	352,940
(ii) Fair value adjustment reserve				
Balance at beginning	**36,037**	-	**14,436**	-
Effect of adopting FRS 139	-	16,456	-	(3,713)
Current year	**16,993**	19,581	**11,484**	18,149
Balance at end	**53,030**	36,037	**25,920**	14,436
	405,970	388,977	**378,860**	367,376

(i) Asset revaluation reserve is in respect of the surplus on revaluation of long leasehold land and factory building, net of deferred tax.

(ii) Fair value adjustment reserve represents the cumulative fair value changes, net of tax, of available-for-sale financial assets until they are disposed or impaired.

19. RETAINED PROFITS

COMPANY

Prior to the year of assessment 2008, Malaysian companies adopted the full imputation system. In accordance with the Finance Act, 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances.

Companies also have an irrevocable option to disregard the 108 balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act, 2007.

The Company did not elect for the irrevocable option to disregard the 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the 108 balance as at 31 December 2007 to distribute cash dividend payments to ordinary shareholders as defined under the Finance Act, 2007.

As at the end of reporting period, the Company has sufficient credit under the 108 balance and tax exempt income account to frank the payment of dividends out of its entire retained profits at the end of reporting period.

20. BORROWINGS

	GROUP	
	2012	**2011**
	RM	**RM**
Non-current liabilities		
Finance lease liabilities		
Minimum payments:		
Within 1 year	**245,040**	171,624
Later than 1 year but not later than 2 years	**240,220**	171,624
Later than 2 years but not later than 5 years	**454,161**	413,000
	939,421	756,248
Future finance charges	**(85,760)**	(80,975)
	853,661	675,273
Amount due within 1 year included under current liabilities	**(208,162)**	(139,916)
	645,499	535,357
Term loan		
Later than 1 year but not later than 5 years	**1,240,000**	-
	1,885,499	535,357
Current liabilities		
Finance lease liabilities	**208,162**	139,916
Total borrowings	**2,093,661**	675,273

The finance lease liabilities are secured over the leased assets (Note 3).

The term loan is secured by way of:

(i) Facility Agreement for RM1,240,000;
(ii) First party first fixed charge over a subsidiary's freehold land (Note 10);
(iii) Assignment by way of charge over certain sales proceeds in respect of the development properties of a subsidiary as well as monies available in the Project Development Account (Note 15); and
(iv) Corporate guarantee of the Company.

20. BORROWINGS (cont'd)

A summary of the effective interest rates and the maturities of the borrowings are as follows:

	Average effective interest rate per annum (%)	Total RM	Within one year RM	More than one year and less than two years RM	More than two years and less than five years RM
2012					
Finance lease liabilities	**2.38 to 3.50**	**853,661**	**208,162**	**214,667**	**430,832**
Term loan	**6.85**	**1,240,000**	**-**	**361,900**	**878,100**
2011					
Finance lease liabilities	3.25 to 6.60	675,273	139,916	148,183	387,174

21. TRADE PAYABLES

	GROUP		COMPANY	
	2012 RM	**2011 RM**	**2012 RM**	**2011 RM**
Trade payables	**6,615,607**	3,501,958	**137,286**	155,422
Retention sums	**4,221,503**	1,119,130	**-**	-
	10,837,110	4,621,088	**137,286**	155,422

The trade payables are non-interest bearing and are normally settled within **30 to 90 days** (2011 : 30 to 90 days) credit terms.

22. OTHER PAYABLES

	GROUP		COMPANY	
	2012 RM	**2011 RM**	**2012 RM**	**2011 RM**
Other payables	**1,557,885**	2,187,694	**530,898**	1,067,372
Accruals	**1,600,431**	1,694,175	**697,935**	666,036
Provision for land costs (Note 10)	**37,103,550**	-	**-**	-
Deposits received from:				
- Property buyers	**280,000**	17,804,706	**-**	-
- Tenants	**4,432,277**	4,311,948	**4,432,277**	4,311,948
- Others	**10,000**	10,000	**-**	-
	4,722,277	22,126,654	**4,432,277**	4,311,948
	44,984,143	26,008,523	**5,661,110**	6,045,356

23. REVENUE

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Property development revenue	**86,693,376**	13,655,056	**-**	-
Sale of timber	**17,864,957**	20,807,721	**15,350,073**	18,488,437
Rental income	**18,125,805**	17,358,675	**18,125,805**	17,358,675
Project management fee	**-**	-	**2,374,341**	3,862,817
	122,684,138	51,821,452	**35,850,219**	39,709,929

24. COST OF SALES

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Property development costs	**46,967,477**	7,383,424	**-**	-
Cost of timber related operations	**14,836,013**	17,321,117	**12,562,302**	15,167,019
Direct operating costs relating to rental	**12,739,001**	12,660,338	**12,739,001**	12,660,338
	74,542,491	37,364,879	**25,301,303**	27,827,357

25. PROFIT BEFORE TAXATION

This is arrived at:

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
After charging:				
Audit fees				
- current year	**65,100**	61,600	**32,000**	32,000
- over provision in prior year	**-**	(2,000)	**-**	-
Bad debts	**-**	373,419	**-**	373,419
Depreciation	**519,622**	336,114	**84,227**	75,991
* Directors' fee for non-executive directors	**72,000**	66,000	**72,000**	66,000
Impairment loss on trade receivables	**42,405**	-	**42,405**	-
Impairment loss on sundry deposit	**-**	180,000	**-**	-
Interest expense on finance lease	**34,246**	7,441	**-**	-
Lease rental	**9,316,000**	9,312,000	**9,316,000**	9,312,000
Property, plant and equipment written off	**3**	5,065	**3**	1,212
Rental expenses	**333,760**	198,240	**129,600**	130,030
** Staff costs	**3,464,386**	2,862,693	**2,438,724**	2,128,285
And crediting:				
Dividend income from investments quoted in Malaysia	**187**	107	**-**	-
Dividend income from investment in unit trusts	**384,278**	244,356	**311,479**	222,025
Gain on disposal of property, plant and equipment	**-**	199	**-**	199
Gain on redemption of investment in unit trusts	**12,204**	358	**12,204**	358
Interest income	**2,349,590**	1,781,836	**1,757,807**	1,582,901
Late payment interest	**97,882**	-	**-**	-

25. PROFIT BEFORE TAXATION (cont'd)

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
* **Directors' fee for non-executive directors**				
- Present directors	**52,000**	66,000	**52,000**	66,000
- Past director	**20,000**	-	**20,000**	-
	72,000	66,000	**72,000**	66,000
** **Staff costs**				
- Salaries, wages, overtime, allowance, incentive, and bonus	**3,138,867**	2,609,374	**2,196,842**	1,919,094
- EPF	**297,601**	230,142	**221,664**	190,549
- SOCSO	**27,918**	23,177	**20,218**	18,642
	3,464,386	2,862,693	**2,438,724**	2,128,285

Directors' remuneration for executive directors

Included in staff costs of the Group and of the Company is the aggregate amount of remuneration received and receivable by directors of the Company and a subsidiary as shown below:

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Executive directors of the Company:				
- Salaries, bonus and incentive	**355,000**	325,000	**325,000**	325,000
- EPF	**39,000**	39,000	**39,000**	39,000
- Fee	**30,000**	-	**30,000**	-
	424,000	364,000	**394,000**	364,000
Executive directors of a subsidiary:				
- Salaries	**48,000**	48,000	**-**	-
Total directors' remuneration	**472,000**	412,000	**394,000**	364,000

26. TAXATION

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Malaysian income tax:				
Based on results for the year				
- Current tax	**(9,032,647)**	(606,267)	**(428,000)**	(384,000)
- Deferred tax relating to the origination and reversal of temporary differences	**(4,271,746)**	(1,778,674)	**(1,518,000)**	(1,889,422)
	(13,304,393)	(2,384,941)	**(1,946,000)**	(2,273,422)
Over/(Under) provision in prior years				
- Current tax	**(20,098)**	80,475	**(1,400)**	78,192
- Deferred tax	**(103,000)**	111,420	**(99,000)**	58,422
	(123,098)	191,895	**(100,400)**	136,614
	(13,427,491)	(2,193,046)	**(2,046,400)**	(2,136,808)

26. TAXATION (cont'd)

The reconciliation of tax expense of the Group and of the Company is as follows:

	GROUP		COMPANY	
	2012 RM	**2011 RM**	**2012 RM**	**2011 RM**
Profit before taxation	**42,514,861**	8,897,974	**7,850,236**	9,020,629
Income tax at Malaysian statutory tax rate of 25%	**(10,628,715)**	(2,224,494)	**(1,962,559)**	(2,255,157)
Income not subject to tax	**99,121**	61,179	**80,921**	55,596
Expenses not deductible for tax purposes	**(324,323)**	(232,473)	**(64,362)**	(73,861)
Deferred tax movement not recognised	**(2,450,476)**	10,847	**-**	-
	(13,304,393)	(2,384,941)	**(1,946,000)**	(2,273,422)
(Under)/Over provision in prior years	**(123,098)**	191,895	**(100,400)**	136,614
	(13,427,491)	(2,193,046)	**(2,046,400)**	(2,136,808)

The amount and future availability of unabsorbed tax losses and unabsorbed capital allowances are as follows:

	GROUP		COMPANY	
	2012 RM	**2011 RM**	**2012 RM**	**2011 RM**
Unabsorbed tax losses	**27,642,000**	34,675,000	**3,495,000**	9,572,000
Unabsorbed capital allowances	**50,507,000**	50,585,000	**47,144,000**	47,134,000

These unabsorbed tax losses and capital allowances are available to be carried forward for set off against future assessable income of the Company and its subsidiaries of a nature and amount sufficient for the tax losses and capital allowances to be utilised.

The net deferred tax (assets)/liabilities which have not been recognised are represented by temporary differences arising from:

	GROUP	
	2012 RM	**2011 RM**
Property, plant and equipment	**113,000**	(16,000)
Unabsorbed tax losses	**(12,366,000)**	(2,664,000)
Unabsorbed capital allowances	**(3,307,000)**	(3,129,000)
	(15,560,000)	(5,809,000)

27. EARNINGS PER SHARE

GROUP

Basic earnings per share is calculated by dividing the profit for the financial year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial year.

	2012	**2011**
Profit attributable to owners of the parent (RM)	**17,735,774**	6,931,701
Weighted average number of ordinary shares of RM0.40 each	**197,563,074**	180,611,918
Earnings per share (sen)	**8.98**	3.84

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the reporting period.

28. CONTINGENT LIABILITIES (UNSECURED)

	COMPANY	
	2012 RM	2011 RM
Corporate guarantee extended to a bank for credit facilities granted to a subsidiary		
- Limit	**1,240,000**	-
- Amount utilised	**1,240,000**	-

The Company has assessed the financial guarantee contracts and concluded that the financial impact of the guarantee is not material.

29. COMMITMENTS

GROUP AND COMPANY

	2012 RM	2011 RM
Operating lease commitments		
Future minimum rentals payable:		
Within one year	**9,685,000**	9,316,000
More than one year and not less than two years	**9,920,000**	9,685,000
More than two years and not less than five years	**23,868,667**	29,845,000
Later than five years	**-**	3,943,667
	43,473,667	52,789,667

Operating lease commitments represent rentals payable for use of a shopping mall for a term of ten years.

30. SEGMENT REPORTING

Segmental information is presented in respect of the Group's business segments.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Business Segments

For the management purposes, the Group is organised into business units based on their products and services, which comprise the following:

(1) Investment properties
(2) Property construction
(3) Timber related
(4) Property development
(5) Others which consist of trading of goods and investment holding

30. SEGMENT REPORTING (cont'd)

	Investment properties RM	Property construction RM	Timber related RM	Property development RM	Others RM	Elimination RM	Note	Total RM
2012								
Revenue								
External sales	**18,125,805**	**-**	**17,864,957**	**86,693,376**	**-**	**-**		**122,684,138**
Inter-segment sales	**-**	**-**	**-**	**-**	**4,652,737**	**(4,652,737)**	**A**	**-**
Total revenue	**18,125,805**	**-**	**17,864,957**	**86,693,376**	**4,652,737**	**(4,652,737)**		**122,684,138**
Result								
Segment results	**4,431,315**	**-**	**1,231,110**	**34,523,078**	**56,946**	**(140,814)**		**40,101,635**
Interest income								**2,447,472**
Profit from operations								**42,549,107**
Finance costs								**(34,246)**
Profit before taxation								**42,514,861**
Taxation								**(13,427,491)**
Net profit for the year								**29,087,370**
Assets								
Segment assets	**111,876,467**	**-**	**42,475,967**	**117,269,915**	**4,444,274**	**(48,383,261)**		**227,683,362**
Deferred tax assets								**15,421,000**
Tax recoverable								**62,554**
Total assets								**243,166,916**
Liabilities								
Segment liabilities	**7,601,784**	**19,628**	**25,191,874**	**68,189,232**	**1,525,121**	**(42,275,535)**		**60,252,104**
Provision for taxation								**3,491,634**
Total liabilities								**63,743,738**
Other information								
Additions to non-current assets	**114,213**	**-**	**-**	**645,889**	**-**	**-**	**B**	**760,102**
Depreciation	**84,227**	**-**	**76,104**	**359,126**	**165**	**-**		**519,622**
Non-cash expenses/(income) other than depreciation	**42,408**	**-**	**2,830,474**	**-**	**(12,204)**	**-**	**C**	**2,860,678**

30. SEGMENT REPORTING (cont'd)

	Investment properties RM	Property construction RM	Timber related RM	Property development RM	Others RM	Elimination RM	Note	Total RM
2011								
Revenue								
External sales	17,358,675	-	20,807,721	13,655,056	-	-		51,821,452
Inter-segment sales	-	-	-	-	5,338,358	(5,338,358)	A	-
Total revenue	17,358,675	-	20,807,721	13,655,056	5,338,358	(5,338,358)		51,821,452
Result								
Segment results	2,512,596	(352,000)	1,643,313	499,713	2,999,613	(179,656)		7,123,579
Interest income								1,781,836
Profit from operations								8,905,415
Finance costs								(7,441)
Profit before taxation								8,897,974
Taxation								(2,193,046)
Net profit for the year								6,704,928
Assets								
Segment assets	99,807,846	-	35,833,071	67,802,343	4,938,415	(46,390,801)		161,990,874
Deferred tax assets								19,795,746
Tax recoverable								55,650
Total assets								181,842,270
Liabilities								
Segment liabilities	7,264,420	19,628	25,072,963	46,086,166	706,520	(40,296,283)		38,853,414
Provision for taxation								209,494
Total liabilities								39,062,908
Other information								
Addition to non-current assets	288,886	-	-	878,018	-	-	B	1,166,904
Depreciation	75,991	-	225,516	34,442	165	-		336,114
Non-cash expenses/ (income) other than depreciation	6,313	352,000	3,118,039	180,000	(358)	-	C	3,655,994

30. SEGMENT REPORTING (cont'd)

Notes to segment information:

A Inter-segment revenues are eliminated on consolidation.

B Additions to non-current assets consists of total cost incurred during the financial year to acquire property, plant and equipment and investment properties.

C Other non-cash expenses/(income) consist of the following items:

	2012 RM	2011 RM
Bad debts	**-**	373,419
Impairment loss on trade receivables	**42,405**	-
Impairment loss on sundry deposit	**-**	180,000
Property, plant and equipment written off	**3**	5,065
Gain on disposal of property, plant and equipment	**-**	(199)
Gain on redemption of investment in unit trusts	**(12,204)**	(358)
Timber concession cost recognised	**2,830,474**	3,098,067
	2,860,678	3,655,994

By geographical segments

No information on geographical segment is presented as the Group's business is operated solely in Malaysia.

Information about major customers

During the year, there was no one single customer that contributed to more than 10% of the Group's revenue.

31. RELATED PARTY DISCLOSURES

(i) Related party transactions

	COMPANY 2012 RM	COMPANY 2011 RM
Administration fee charged by a subsidiary	**1,575,616**	1,373,423
Administrative fee charged to subsidiaries	**91,330**	132,266
Project management fee charged to subsidiaries	**2,374,341**	3,862,817

(ii) Compensation of key management personnel

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Salaries and other short term benefits	**544,000**	478,000	**466,000**	430,000

The Group and the Company have no other member of key management personnel apart from the Board of Directors.

Key management personnel are those persons including directors having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company, directly or indirectly.

32. CATEGORIES OF FINANCIAL INSTRUMENTS

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

(i) Loans and receivables ("L&R");
(ii) Held-to-maturity investments ("HTM");
(iii) Available-for-sale financial assets ("AFS"); and
(iv) Other liabilities measured at amortised cost ("FL").

	Carrying amount RM	L&R RM	HTM RM	AFS RM	FL RM
GROUP					
2012					
Financial assets					
Other investments (Note 7)	**53,395,185**	**-**	**27,960,000**	**25,435,185**	**-**
Trade receivables (Note 12)	**13,090,051**	**13,090,051**	**-**	**-**	**-**
Other receivables and refundable deposits (Note 13)	**4,648,776**	**4,648,776**	**-**	**-**	**-**
Cash and cash equivalents (Note 15)	**40,903,175**	**40,903,175**	**-**	**-**	**-**
	112,037,187	**58,642,002**	**27,960,000**	**25,435,185**	**-**
Financial liabilities					
Borrowings (Note 20)	**2,093,661**	**-**	**-**	**-**	**2,093,661**
Trade payables (Note 21)	**10,837,110**	**-**	**-**	**-**	**10,837,110**
Other payables (Note 22)	**7,880,593**	**-**	**-**	**-**	**7,880,593**
	20,811,364	**-**	**-**	**-**	**20,811,364**
2011					
Financial assets					
Other investments (Note 7)	35,735,653	-	27,960,000	7,775,653	-
Trade receivables (Note 12)	5,123,485	5,123,485	-	-	-
Other receivables and refundable deposits (Note 13)	4,291,806	4,291,806	-	-	-
Cash and cash equivalents (Note 15)	40,904,862	40,904,862	-	-	-
	86,055,806	50,320,153	27,960,000	7,775,653	-
Financial liabilities					
Borrowings (Note 20)	675,273	-	-	-	675,273
Trade payables (Note 21)	4,621,088	-	-	-	4,621,088
Other payables (Note 22)	26,008,523	-	-	-	26,008,523
	31,304,884	-	-	-	31,304,884

32. CATEGORIES OF FINANCIAL INSTRUMENTS (cont'd)

	Carrying amount RM	L&R RM	HTM RM	AFS RM	FL RM
COMPANY					
2012					
Financial assets					
Other investments (Note 7)	**47,325,989**	**-**	**27,960,000**	**19,365,989**	**-**
Trade receivables (Note 12)	**500,213**	**500,213**	**-**	**-**	**-**
Other receivables and refundable deposits (Note 13)	**2,619,455**	**2,619,455**	**-**	**-**	**-**
Amount due from subsidiaries (Note 14)	**33,528,738**	**33,528,738**	**-**	**-**	**-**
Cash and cash equivalents (Note 15)	**17,688,425**	**17,688,425**	**-**	**-**	**-**
	101,662,820	**54,336,831**	**27,960,000**	**19,365,989**	**-**
Financial liabilities					
Trade payables (Note 21)	**137,286**	**-**	**-**	**-**	**137,286**
Other payables (Note 22)	**5,661,110**	**-**	**-**	**-**	**5,661,110**
Amount due to subsidiaries (Note 14)	**1,140,961**	**-**	**-**	**-**	**1,140,961**
	6,939,357	**-**	**-**	**-**	**6,939,357**
2011					
Financial assets					
Other investments (Note 7)	34,636,100	-	27,960,000	6,676,100	-
Trade receivables (Note 12)	936,966	936,966	-	-	-
Other receivables and refundable deposits (Note 13)	2,719,455	2,719,455	-	-	-
Amount due from subsidiaries (Note 14)	28,525,554	28,525,554	-	-	-
Cash and cash equivalents (Note 15)	23,822,886	23,822,886	-	-	-
	90,640,961	56,004,861	27,960,000	6,676,100	-
Financial liabilities					
Trade payables (Note 21)	155,422	-	-	-	155,422
Other payables (Note 22)	6,045,356	-	-	-	6,045,356
Amount due to subsidiaries (Note 14)	1,146,206	-	-	-	1,146,206
	7,346,984	-	-	-	7,346,984

33. FINANCIAL RISK MANAGEMENT

The Group and the Company are exposed to a variety of financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, interest rate risk and liquidity risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative activities.

33.1 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. The Group's and the Company's exposure to credit risk arises principally from its trade receivables.

33.1.1 Trade receivables

The Group and the Company do not have any significant exposure to any individual customer. The maximum exposure to credit risk of trade receivables is represented by their carrying amounts in the statements of financial position.

In respect of trade receivables arising from the sale of development properties, the Group mitigate its credit risk by maintaining its name as the registered owner of the development properties until full settlement by the purchaser of the self-financed portion of the purchase consideration or upon undertaking of end-financing by the purchaser's end-financier.

As for timber and other business activities, the Group and the Company will take into consideration factors such as the relationship with the customers, their payment history and credit worthiness in deciding whether credit shall be extended. The Group and the Company subject new customers to credit verification procedures. In addition, debt monitoring procedures are performed on an on-going basis with the result that the Group's and the Company's exposure to bad debts is not significant.

The ageing of trade receivables and accumulated impairment loss at the end of the reporting period is as follows:

GROUP

	2012			2011		
	Gross RM	**Impairment RM**	**Net RM**	**Gross RM**	**Impairment RM**	**Net RM**
Not past due	**8,238,341**	-	**8,238,341**	2,931,874	-	2,931,874
1 to 30 days past due	**244,450**	-	**244,450**	444,543	-	444,543
31 to 60 days past due	**306,544**	-	**306,544**	344,279	-	344,279
Past due more than 61 days	**25,382,543**	**(21,081,827)**	**4,300,716**	22,614,389	(21,211,600)	1,402,789
	25,933,537	**(21,081,827)**	**4,851,710**	23,403,211	(21,211,600)	2,191,611
	34,171,878	**(21,081,827)**	**13,090,051**	26,335,085	(21,211,600)	5,123,485

33. FINANCIAL RISK MANAGEMENT (cont'd)

33.1 Credit risk (cont'd)

33.1.1 Trade receivables (cont'd)

COMPANY

	2012 Gross RM	2012 Impairment RM	2012 Net RM	2011 Gross RM	2011 Impairment RM	2011 Net RM
Not past due	**174,346**	**-**	**174,346**	786,326	-	786,326
1 to 30 days past due	**7,648**	**-**	**7,648**	4,079	-	4,079
31 to 60 days past due	**306,544**	**-**	**306,544**	9,689	-	9,689
Past due more than 61 days	**13,593,502**	**(13,581,827)**	**11,675**	13,848,472	(13,711,600)	136,872
	13,907,694	**(13,581,827)**	**325,867**	13,862,240	(13,711,600)	150,640
	14,082,040	**(13,581,827)**	**500,213**	14,648,566	(13,711,600)	936,966

Trade receivables that are neither past due nor impaired are creditworthy customers with good payment record with the Group and the Company. None of the Group's and the Company's trade receivables that are neither pass due nor impaired have been renegotiated during the financial year.

The Group and the Company have trade receivables amounting to **RM4,851,710** (2011 : RM2,191,611) and **RM325,867** (2011: RM150,640) respectively that are past due at the end of the reporting period but not impaired. The management is of the view that these receivables are recoverable and no impairment is necessary.

33.1.2 Investments

Investments are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group and the Company. Transactions involving derivative financial instruments are with approved financial institutions.

As at the end of the reporting period, the Group and the Company have invested only in domestic securities. The maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position.

In view of the sound credit rating of counterparties, management does not expect any counterparty to fail to meet its obligations.

33.1.3 Financial guarantees

The Company provides unsecured corporate guarantee to a bank in respect of credit facilities granted to a subsidiary. The Company monitors on an ongoing basis the results of the subsidiary and repayments made by the subsidiary. As at the end of the reporting period, there was no indication that the subsidiary would default on repayment.

33.2 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due. The Group and the Company actively manage their debt maturity profile, operating cash flows and availability of funding so as to ensure that all repayment and funding needs are met. As part of its overall prudent liquidity management, the Group and the Company maintain sufficient level of cash and cash equivalents to meet their working capital requirements.

33. FINANCIAL RISK MANAGEMENT (cont'd)

33.2 Liquidity risk (cont'd)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on the undiscounted contractual payments:

	Carrying amount RM	Contractual cash flows RM	Within one year RM	More than one year and less than two years RM	More than two years and less than five years RM
GROUP					
2012					
Interest bearing borrowings	**2,093,661**	**2,261,261**	**245,040**	**626,005**	**1,390,216**
Trade and other payables	**18,717,703**	**18,717,703**	**18,717,703**	**-**	**-**
	20,811,364	**20,978,964**	**18,962,743**	**626,005**	**1,390,216**
2011					
Interest bearing borrowings	675,273	756,248	171,624	171,624	413,000
Trade and other payables	30,629,611	30,629,611	30,629,611	-	-
	31,304,884	31,385,859	30,801,235	171,624	413,000
COMPANY					
2012					
Trade and other payables	**5,798,396**	**5,798,396**	**5,798,396**	**-**	**-**
Amount due to subsidiaries	**1,140,961**	**1,140,961**	**1,140,961**	**-**	**-**
	6,939,357	**6,939,357**	**6,939,357**	**-**	**-**
2011					
Trade and other payables	6,200,778	6,200,778	6,200,778	-	-
Amount due to subsidiaries	1,146,206	1,146,206	1,146,206	-	-
	7,346,984	7,346,984	7,346,984	-	-

33.3 Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's floating rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

33. FINANCIAL RISK MANAGEMENT (cont'd)

33.3 Interest rate risk (cont'd)

The interest rate profile of the Group's and of the Company's interest-bearing financial instruments based on the carrying amounts as at the end of the reporting period is as follows:

	GROUP		COMPANY	
	2012 RM	**2011 RM**	**2012 RM**	**2011 RM**
Fixed rate instruments				
Financial assets	**64,102,883**	66,003,370	**43,354,803**	50,549,896
Financial liabilities	**853,661**	675,273	**-**	-
Floating rate instruments				
Financial liabilities	**1,240,000**	-	**-**	-

Sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial instruments at fair value through profit or loss, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Sensitivity analysis for variable rate instruments

The floating rate financial instruments comprise term loan of a subsidiary which is not exposed to interest rate risk at the end of the reporting period as repayment of the term loan will only commence in the financial year ending 30 June 2014.

33.4 Capital management

The primary objective of the Group's capital management policy is to maintain a strong capital base to support its businesses and maximise shareholders value.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions or expansion of the Group. The Group may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting the amount of dividends to be paid to shareholders or sell assets to reduce debts.

34. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of financial assets (other than investments in equity instruments) and financial liabilities are reasonable approximation of fair values, due to their short-term nature at the end of the reporting period. The fair value of investments in quoted shares and unit trusts is its quoted market price at 30 June 2012. The carrying amount of the non-current portion of finance lease liabilities is reasonable approximation of fair value due to the insignificant impact of discounting.

34.1 Fair value hierarchy

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

Level 1 Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 Inputs for the asset and liability that are not based on observable market data (unobservable inputs).

34. FAIR VALUE OF FINANCIAL INSTRUMENTS (cont'd)

34.1 Fair value hierarchy (cont'd)

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
GROUP				
2012				
Held-to-maturity investments				
- Institutional Trust Account	**-**	**-**	**27,960,000**	**27,960,000**
Available-for-sale financial assets				
- Quoted shares	**26,878**	**-**	**-**	**26,878**
- Unit trusts	**25,408,307**	**-**	**-**	**25,408,307**
2011				
Held-to-maturity investments				
- Institutional Trust Account	-	-	27,960,000	27,960,000
Available-for-sale financial assets				
- Quoted shares	26,718	-	-	26,718
- Unit trusts	7,748,935	-	-	7,748,935
COMPANY				
2012				
Held-to-maturity investments				
- Institutional Trust Account	**-**	**-**	**27,960,000**	**27,960,000**
Available-for-sale financial assets				
- Unit trusts	**19,365,989**	**-**	**-**	**19,365,989**
2011				
Held-to-maturity investments				
- Institutional Trust Account	-	-	27,960,000	27,960,000
Available-for-sale financial assets				
- Unit trusts	6,676,100	-	-	6,676,100

35. EMPLOYEE SHARE OPTION SCHEME ("ESOS")

The Company had on 9 June 2010 and 15 July 2010 obtained approvals from Bursa Malaysia Securities Berhad and the shareholders respectively to establish an ESOS with duration of ten years from the effective date.

As at 30 June 2012, no options were granted.

The salient features of the ESOS are as follows:

(i) The aggregate number of options offered under the ESOS shall not exceed ten per centum (10%) of the issued and paid-up share capital during the duration of the ESOS or such additional number that may be permitted by the relevant authorities during the duration of the ESOS,

(ii) Not more than fifty per centum (50%) of the shares available under the ESOS should be allocated, in aggregate, to directors (including non-executive directors) and senior management of the Group. In addition, not more than ten per centum (10%) of the shares available under the ESOS should be allocated to any individual director or employee who, either singly or collectively through his/her associates, holds twenty per centum (20%) or more in the issued and paid-up share capital of the Company,

(iii) An employee (including directors of any company comprised in the Group) shall be eligible to participate in the ESOS is the employee is at least eighteen (18) years of age on the date of offer; employed full time by and on the payroll of any company in the Group and his employment must have been confirmed on the date of offer,

(iv) The option price shall be based on the 5-day volume weighted average market price of the shares of the Company immediately prior to the date of offer provided that the price shall not be at a discount of more than ten per centum (10%) of the 5-day volume weighted average market prices and shall not be less than the par value of the shares of the Company, and

(v) The new shares to be issued and allotted upon exercise of the option will upon allotment and issuance rank pari passu in all respect with the then existing issued shares except that the shares so issued will not be entitled for any right, dividend, allotment and/or any other distributions declared, made or paid, the entitlement date of which is prior to the date of allotment of the shares. The new shares will be subjected to all the provisions of the Articles of Association of the Company.

36. EVENT AFTER THE REPORTING PERIOD

Great Eastern Mills Berhad ("GEM"), a subsidiary of the Company had received a letter dated 31 July 2012 from the solicitors of Timber Employee Union, Peninsular Malaysia ("the Union") terminating the Settlement Agreement between the Union and GEM dated 20 January 2005 on alleged ground that GEM has failed to pay the Union the settlement amount of RM4,976,531 and demand for GEM to settle the said amount.

On 27 August 2012, GEM has further received a letter from the solicitors of the Union, enclosing a statutory demand pursuant to Section 218 of the Companies Act, 1965 (Act 125).

The Board of Directors of the Company is of the opinion that GEM has a good chance to succeed in defending the claim and has filed ad interim injunction application restraining the Union from carrying out the winding up action on the ground that all outstanding debts have been fully settled by way of acceptance of 2,000 acres of concession quota by the Union in prior year.

37. SUPPLEMENTARY INFORMATION DISCLOSED PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

The breakdown of retained profits as at the reporting date has been prepared by the Directors in accordance with the directives from Bursa Malaysia Securities Berhad stated above and the Guidance on Special Matter No. 1 - Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants are as follows:

	GROUP		COMPANY	
	2012 RM	**2011 RM**	**2012 RM**	**2011 RM**
Total retained profits of the Company and its subsidiaries:				
- Realised	**(5,662,423)**	(29,799,559)	**6,897,387**	(523,449)
- Unrealised	**15,421,000**	19,795,746	**12,613,000**	14,230,000
	9,758,577	(10,003,813)	**19,510,387**	13,706,551
Add : Consolidation adjustments	**21,868,457**	23,895,073	-	-
Total retained profits as per statements of financial position	**31,627,034**	13,891,260	**19,510,387**	13,706,551

	Company Location of property	Date of Acquisition/ Revaluation* (Age of Building)	Area	Tenure	Description/ Existing Use	Net Book Value (RM)
1	H.S. (M) 15224 to H.S. (M) 15233 Lot No. 20689 to Lot No. 20698 H.S. (M) 15234 to H.S. (M) 15238 Lot No. 20700 to Lot No. 20704 H.S. (M) 15249 to H.S. (M) 15267 Lot No. 20712 to Lot No. 20730 H.S. (M) 14590, Lot No. 20688 H.S. (M) 11782, Lot No. 20699 H.S. (M) 22243, Lot No. 20705 H.S. (M) 23415, Lot No. 20706 H.S. (M) 22004, Lot No. 20707 H.S. (M) 22248, Lot No. 20708 H.S. (M) 23261, Lot No. 20709 H.S. (M) 23264, Lot No. 20710 H.S. (M) 23265, Lot No. 20711 and H.S. (M) 16394, Lot No. 20906 Mukim of Sungai Petani Kuala Muda, Kedah	23/09/1999	6,951.75 sq.metres	Leasehold expiring in 2092	Vacant land for development	4,999,450
2	H.S. (M) 15268 to H.S. (M) 15308 Lot No. 20731 to Lot No. 20771 Mukim of Sungai Petani Kuala Muda, Kedah	23/09/1999	5,886.52 sq.metres	Leasehold expiring in 2092	Vacant land for development	4,376,411
3	G.M. 5823 to G.M. 5827 Lot No. 146 to Lot No. 150 G.M. 5811 to G.M. 5820 Lot No. 134 to Lot No. 143 and G.M. 5810, Lot No. 132 Mukim of Kuah Langkawi, Kedah	11/10/1999	1,841 sq.metres	Freehold	Vacant land for development	1,874,331
4	G.M. 5828 to G.M. 5833 Lot No. 151 to Lot No. 156 Mukim of Kuah Langkawi, Kedah	11/10/1999	666 sq.metres	Freehold	Vacant land for development	714,467
5	G.M. 5834, Lot No. 157 and G.M 5797 to G.M 5803 Lot No. 119 to Lot No. 125 Mukim of Kuah Langkawi, Kedah	11/10/1999	940 sq.metres	Freehold	Vacant land for development	950,415
6	G.M 5796, Lot No. 117 Mukim of Kuah Langkawi, Kedah	11/10/1999	4,324 sq.metres	Freehold	Vacant land for development	4,494,568
7	No. 2, Jalan Desa Pauh Taman Desa Pauh 13700 Perai, Penang	6/10/2008	292.3 sq.metres	Freehold	Commercial lot	741,800

	Company Location of property	Date of Acquisition/ Revaluation* (Age of Building)	Area	Tenure	Description/ Existing Use	Net Book Value (RM)
	Subsidiary companies					
8	40th M.S. Kota Bharu Kuala Krai Road 18000 Kuala Krai, Kelantan #	1983* (39 years)	15 hectares	Leasehold expiring in 2070	Factory, administrative office buildings and industrial development	3,769,997
9	H.S.(D) 2631/95 to H.S.(D) 2640/95 P.T.No. 22250 to P.T.No. 22259 H.S.(D) 2733/95 to H.S.(D) 2764/95 P.T.No. 22352 to P.T.No. 22383 and H.S.(D) 2769/95 P.T.No. 22388 Mukim of Sungai Petani Kuala Muda, Kedah	29/9/2010	16,618.6 sq.metres	Freehold	Industrial development	4,194,688
10	H.S.(D) 2684/95 to H.S.(D) 2732/95 and H.S.(D) 2768/95 P.T.No. 22303 to P.T.No. 22351 and P.T.No. 22387 Mukim of Sungai Petani Kuala Muda, Kedah	29/9/2010	12,718.5 sq.metres	Freehold	Industrial development	1,915,897

Note:
Part of the land are currently being developed, with corresponding sales to end-buyer

Authorised Capital	:	RM200,000,000.00
Issued and fully paid-up capital	:	RM86,372,473.60 (Excluding 5,471,500 Treasury Shares)
Class of Shares	:	Ordinary shares of RM0.40 each fully paid
Voting Rights	:	One vote per RM0.40 share

BREAKDOWN OF SHAREHOLDINGS

Range of Shareholdings	No. of Shareholders	Percentage of Shareholders	No. of RM0.40 Shares	Percentage of Issued Capital
Less than 100	213	2.70	7,757	0.00
100 – 1,000	2,545	32.25	2,316,085	1.07
1,001 – 10,000	4,037	51.16	16,877,014	7.82
10,001 – 100,000	926	11.73	28,652,145	13.27
100,001– 10,796,558*	167	2.12	92,273,466	42.73
10,796,559 and above**	3	0.04	75,804,717	35.11
TOTAL	7,891	100.00	215,931,184	100.00

Note : * - Less than 5% of issued shares
** - 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS (EXCLUDING BARE TRUSTEES) AS AT 28 SEPTEMBER 2012

According to the register required to be kept under Section 69L of the Companies Act, 1965, the following are the substantial shareholders of the Company:

	Direct Interest		Deemed Interest (excluding bare trustees)	
Name of Substantial Shareholders	No.	%	No.	%
KAPEN Capital Partners Limited	18,342,717	8.49	-	-
Kesan Anggun Sdn. Bhd.	40,000,000	18.52	-	-
Chuah Chong Ewe	1,105,000	0.51	40,000,000	18.52
Koay Teng Choon	17,462,000	8.09	1,867,100	0.86
Fang Siew Hong	-	-	40,000,000	18.52
Fang Siew Poh	1,906,900	0.88	40,000,000	18.52
Poly Dynamic Motion Sdn. Bhd.	-	-	40,000,000	18.52

DIRECTORS' INTERESTS AS AT 28 SEPTEMBER 2012

	Direct Interest		Deemed Interest (excluding bare trustees)	
Name of Directors	No.	%	No.	%
Chuah Chong Ewe	1,105,000	0.51	40,000,000	18.52
Fang Siew Hong	-	-	40,000,000	18.52
Koay Teng Choon	17,462,000	8.09	1,867,100	0.86

Other than as disclosed above, none of the other Directors have interest in the shares of the Company and its related companies.

LIST OF TOP THIRTY SHAREHOLDERS AS AT 28 SEPTEMBER 2012

	Name	Shareholdings	Percentage
1.	Kesan Anggun Sdn. Bhd.	40,000,000	18.52
2.	Citigroup Nominees (Asing) Sdn. Bhd. [Exempt An For UBS AG Singapore (Foreign)]	18,342,717	8.49
3.	Koay Teng Choon	17,462,000	8.09
4.	Koid Hang Say @ Koid Hun Seng	9,816,400	4.55
5.	Tan Chee Soon	9,816,400	4.55
6.	Ooi Lai Hock	4,124,300	1.91
7.	Fang Siew Ling	3,982,500	1.84
8.	Ong Beng Hooi	3,695,800	1.71
9.	JF Apex Nominees (Tempatan) Sdn. Bhd. [Pledged Securities Account for Queck Han Tiong (STA 2)]	2,192,800	1.02
10.	Quah Jo Leen	2,115,400	0.98
11.	Fang Siew Poh	1,906,900	0.88
12.	Tan Guik Lan	1,867,100	0.87
13.	Teoh Tian Wen	1,803,000	0.84
14.	Public Nominees (Tempatan) Sdn. Bhd. [Pledged Securities Account for Low Ah Kou (E-SPI)]	1,580,000	0.73
15.	Chuah Swee Hoon	1,547,000	0.72
16.	Mah Beng Fong	1,459,800	0.68
17.	Low Hun Seah	1,432,200	0.66
18.	Chai Mooi Chong	1,368,800	0.63
19.	Central Kedah Plywood Factory Sendirian Berhad	1,175,400	0.54
20.	Chuah Chong Ewe	1,105,000	0.51
21.	Yip Soon Nam	1,080,000	0.50
22.	Song Kim Lee	1,002,000	0.46
23.	OSK Nominees (Tempatan) Sdn. Berhad [Pledged Securities Account for Mah Beng Fong]	998,000	0.46
24.	Maybank Securities Nominees (Tempatan) Sdn. Bhd. [Pledged Securities Account for Glorious Future Sdn. Bhd. (REM 646)]	909,000	0.42
25.	Low Ah Kou	900,000	0.42
26.	Yip Yi Jun	755,000	0.35
27.	Yip Ying Juin	686,000	0.32
28.	Cheang Lai Juang	600,000	0.28
29.	Amsec Nominees (Tempatan) Sdn. Bhd. (Tan Pei Chee)	579,300	0.27
30.	Ngang Ching Tang	518,700	0.24
	TOTAL	134,821,517	62.44

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FORM OF PROXY

SEAL
INCORPORATED BERHAD
(4887-M)

I/We, ____

NRIC No./Company No. ________________________ of ________________________

______________________________________ being a member of Seal Incorporated Berhad hereby appoint the following person(s):

Name of proxy & NRIC No.	No. of shares	%
1. ______________________	__________	__________
2. ______________________	__________	__________

or failing him/her

1. ______________________	__________	__________
2. ______________________	__________	__________

or failing him/her, the Chairman of the Meeting as my/our proxy, to vote for me/us and on my/our behalf at the Fiftieth Annual General Meeting of the Company to be held on 24 November 2012 and at any adjournment thereof in the manner indicated below in respect of the following Resolutions:

Ordinary Business		**For**	**Against**
The payment of increased Directors' fee	Resolution 1		
The re-election of Directors: - Ng Ngoon Weng	Resolution 2		
- Liakat Ali Bin Mohamed Ali	Resolution 3		
- Chuah Chong Ewe	Resolution 4		
- Chee Wai Hong	Resolution 5		
The re-appointment of the following Director in accordance with Section 129 of the Companies Act, 1965: Tuan Haji Abdul Hamid Bin Mohd Hassan	Resolution 6		
The re-appointment of Auditors and their remuneration	Resolution 7		
Special Business Ordinary Resolution 1 – Authority to Allot and Issue Shares in General Pursuant to Section 132D of the Companies Act, 1965	Resolution 8		
Ordinary Resolution 2 – Proposed Renewal of Share Buy Back Authority	Resolution 9		
Ordinary Resolution 3 – Proposed Granting of Options to Chuah Chong Ewe	Resolution 10		
Ordinary Resolution 4 – Proposed Granting of Options to Chee Wai Hong	Resolution 11		
Special Resolution – Proposed Amendments to the Company's Articles of Association	Resolution 12		

Please indicate with (✔) how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit, or at his discretion, abstain from voting.

Date:

No. of shares held	
CDS A/C No.	

____
Signature of Shareholder

NOTES

1. Only members whose names appear on the Record of Depositors as at 21 November 2012 shall be entitled to attend the AGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.
2. A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote instead of him. A proxy may but need not be a member of the Company.
3. Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
5. The instrument appointing a proxy must be deposited at the Registered Office of the Company, 55 Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan, Malaysia not less than 48 hours before the time appointed for holding the Meeting.

fold

AFFIX
80 sen
STAMP
(wthin Malaysia)

The Registered Office
SEAL INCORPORATED BERHAD (4887-M)
55 Medan Ipoh 1A
Medan Ipoh Bistari
31400 Ipoh

fold

SEAL INCORPORATED BERHAD (4887-M)
No. 55 Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan.
Tel: 605 547 4833 Fax: 605 547 4363
www.sib.com.my