ASTAKA HOLDINGS

ANNUAL REPORT 2016

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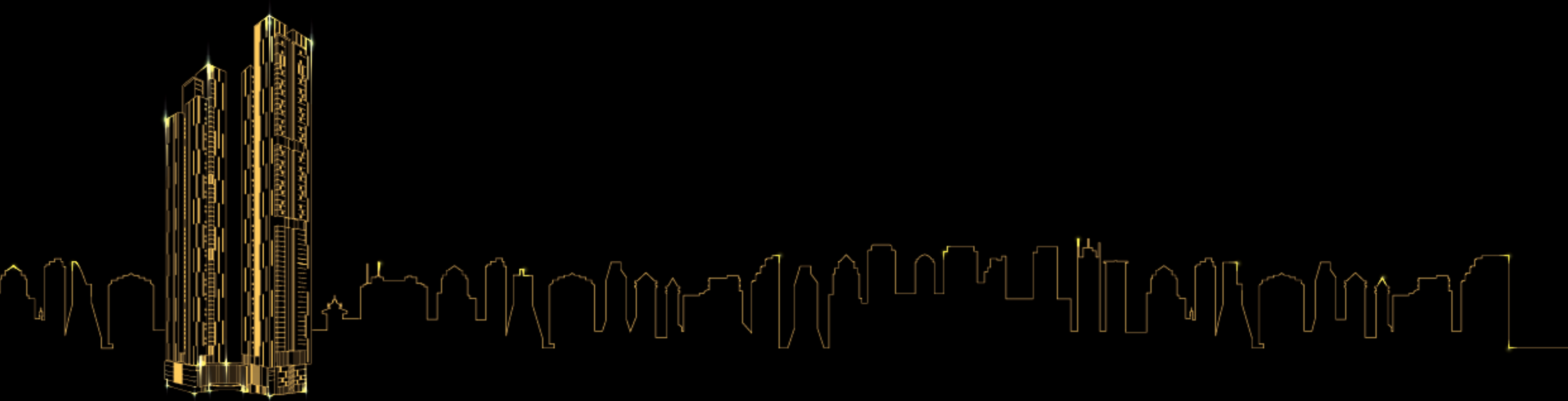
CORPORATE PROFILE



Listed on the Singapore Exchange (SGX:42S), Astaka Holdings Limited ("Astaka") is a leading integrated property developer based in the Iskandar region of Johor, Malaysia.

Astaka is the result of a reverse takeover in November 2015 of E2-Capital Holdings Limited by Astaka Padu Limited.

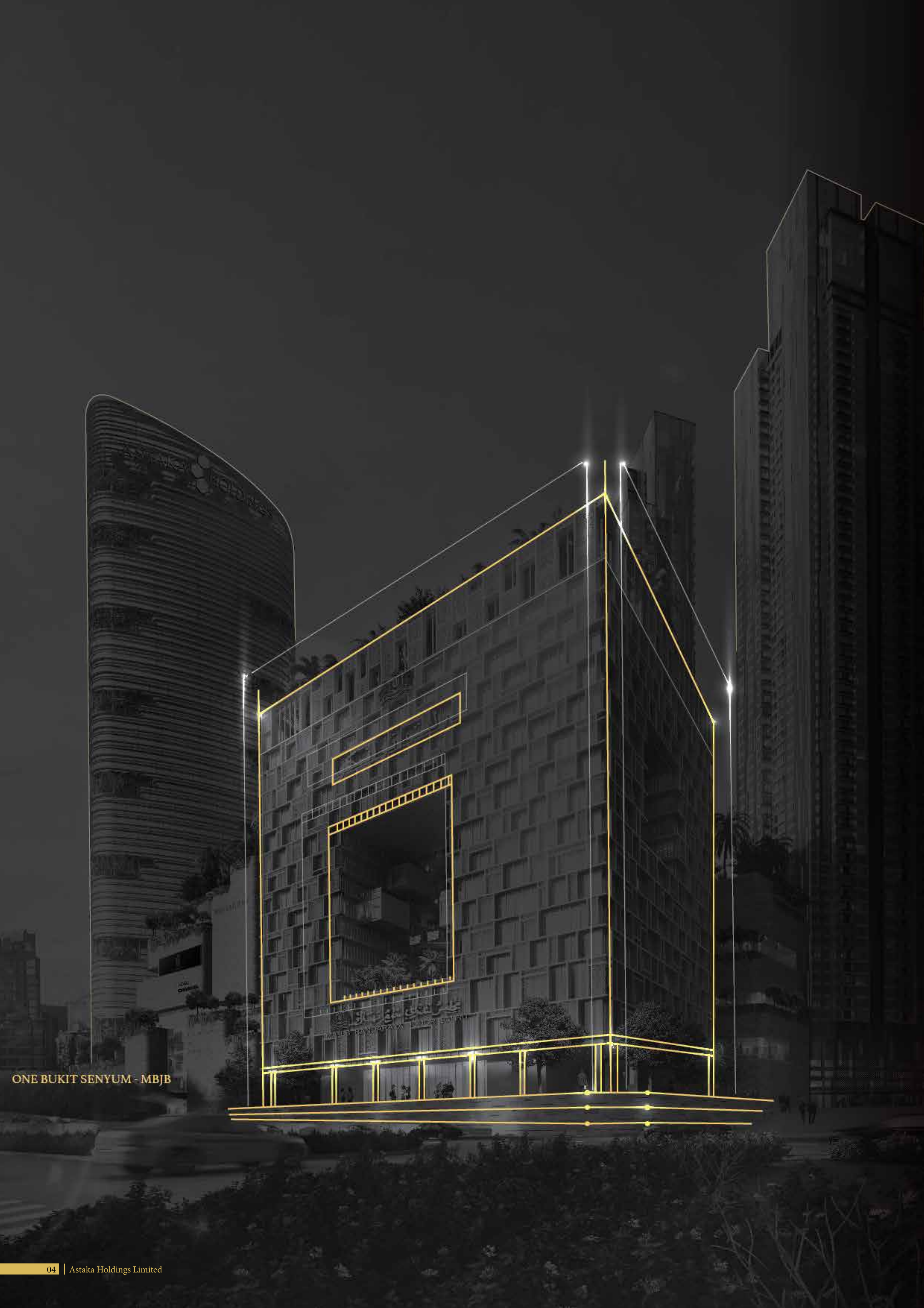
Astaka's founders came together when they saw the potential of Johor Bahru, and set out with a shared vision to transform the city. Leveraging the management's track record and decades of experience, Astaka secured prime land in the heart of the city, now home to the Group's flagship development, One Bukit Senyum.

The iconic One Bukit Senyum will transform the skyline of Johor Bahru with its elegance and modernity. It will be Johor Bahru's new central business district when completed in 2021.

The award-winning development includes The Astaka @ One Bukit Senyum – tipped to be Southeast Asia's two tallest residential towers – a five-star hotel, branded residences, serviced apartments, a shopping mall, an office tower, and the headquarters of Johor Bahru's City Council, Menara MBJB.

One Bukit Senyum has a total gross floor area of 6.3 million square feet and an estimated gross development value of RM5.4 billion.

Astaka is actively seeking new investment opportunities and potential real estate acquisitions, particularly high-profile or strategically-located land banks, to increase its portfolio of iconic projects across the region.



ONE BUKIT SENYUM - MBJB

No.
01

SETTING SIGHTS

Making Our Goals Crystal Clear

HISTORY

Year

1993

Astaka Padu Sdn Bhd was founded by Dato' Daing A Malek Bin Daing A Rahaman.

2003

Astaka Padu Sdn Bhd makes its foray into property development through applications to develop

2 plots of land

in Iskandar.

2004

Tebrau Junction Sdn Bhd was incorporated by Astaka Padu Sdn Bhd & Malpakat.

2012

Acquired land and commenced implementation plan for One Bukit Senyum. Engaged GDP Architects to develop The Astaka @ One Bukit Senyum.

Dato' Zamani Bin Kasim appointed CEO of Astaka Padu Sdn Bhd.

2015

Renamed Astaka Holdings Limited following listing on Singapore Exchange via reverse takeover of E2-Capital Holdings Limited.

Change of Board members, Dato' Zamani Bin Kasim appointed as Astaka Holding's new Executive Director and Chief Executive Officer.

The Astaka @ One Bukit Senyum awarded:

Best Condo Development (Malaysia) by South East Asia Property Awards (Malaysia) 2015

Best Luxury Condo Development (South Malaysia) by South East Asia Property Awards (Malaysia) 2015

Completed construction of a three-storey mosque at Johor Bahru Police Headquarters for the local community.

2013

Grand launch and construction of The Astaka @ One Bukit Senyum, named tallest residential twin towers in Southeast Asia.

Engaged Penta-Ocean (Malaysia) Sdn Bhd for sub-structure works for The Astaka @ One Bukit Senyum.

2014

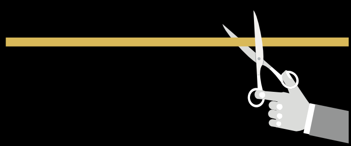
Astaka Padu Sdn Bhd undertook a restructuring exercise; Astaka Padu Limited became the holding company of Astaka Padu Sdn Bhd.

Completed sub-structure work for The Astaka @ One Bukit Senyum ahead of schedule.

Engaged China State Construction Engineering (M) Sdn Bhd for super-structure works for The Astaka @ One Bukit Senyum.

2016

Sultan of Johor launches One Bukit Senyum's masterplan at a groundbreaking ceremony for the new headquarters of Johor Bahru's City Council, Menara MBJB.



No.
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2

OUR PLAN OF ACTION

A Clearly Defined Structure Of Success

ONE BUKIT SENYUM
- RESIDENTIAL TOWER

CHAIRMAN'S STATEMENT

*"DEAR SHAREHOLDERS,
ON BEHALF OF THE BOARD
OF DIRECTORS (THE "BOARD"),
I AM PLEASED TO PROVIDE
A ROUNDUP OF OUR KEY
CORPORATE DEVELOPMENTS
FOLLOWING THE COMPLETION
OF THE REVERSE TAKEOVER
OF E2-CAPITAL HOLDINGS LIMITED
AND THE SUBSEQUENT LISTING
OF ASTAKA HOLDINGS LIMITED
("ASTAKA" OR TOGETHER WITH ITS
SUBSIDIARIES, THE "GROUP")
ON THE SINGAPORE EXCHANGE
IN NOVEMBER 2015."*

CHAIRMAN'S STATEMENT

Subsequent to our financial year ended 30 June 2016 ("FY2016"), we unveiled the masterplan for One Bukit Senyum, our flagship 11.85-acre mixed development in Johor Bahru.

We were honoured to have His Royal Highness, Sultan of Johor, Sultan Ibrahim Ibni Almarhum Sultan Iskandar officiate at the launch ceremony on 28 August 2016, which was attended by more than 500 guests, including Johor Chief Minister Datuk Mohamed Khaled bin Nordin.

ONE BUKIT SENYUM

Johor's proximity to Singapore provides a unique advantage not shared by other Malaysian states. This will benefit One Bukit Senyum, which is located in the heart of Johor Bahru. Major government projects lined up in the state include the Kuala Lumpur - Singapore High Speed Rail, which will pass through Johor, and the Johor Bahru-Singapore Rapid Transit System link.

One Bukit Senyum is only a minute's drive from the customs, immigration and quarantine complex. Spanning approximately nine international football fields with a gross floor area of 6.3 million square feet, this mixed development is envisaged to be Johor Bahru's new central business district when fully completed in 2021.

The masterplan for One Bukit Senyum was conceptualised by world-renowned architects Skidmore, Owings & Merill from the United States. One Bukit Senyum will feature The Astaka, a two-tower residential development tipped to be the tallest of its kind in Southeast Asia. As at the date of this report, The Astaka is 71% sold and construction for Towers A and B has reached the 43rd and 45th floors, respectively. One Bukit Senyum will also have a five-star hotel, branded residences, a high-end shopping mall, serviced apartments, and a 14-storey Grade-A office building. It will also be home to the Johor Bahru City Council's new headquarters, Menara MBJB.

One Bukit Senyum's masterplan was unveiled in conjunction with the groundbreaking of Menara MBJB. The event took place just weeks after we signed a memorandum of understanding ("MoU") in August 2016 to develop Menara MBJB. The MoU is expected to lead to a formal sale and purchase agreement by the end of 2016.

Menara MBJB, which will have a gross floor area of 445,848 square feet, is slated to be completed in 2019. Some 800 staff from the Johor Bahru City Council will then relocate to the new building.

BUKIT PELALI @ PENGERANG

We formed a joint venture with Saling Syabas Sdn Bhd in October 2016 to develop a 258.48-acre integrated township located in Kota Tinggi, Johor. We believe this township project has tremendous potential as it will support the Pengerang Integrated Petroleum Complex ("PIPC").

The PIPC houses major projects such as the RM5 billion Pengerang Independent Deepwater Petroleum Terminal and Petronas' RM60 billion Refinery and Petrochemical Integrated Development Project.

This new project provides an opportunity for the Group to strengthen our property development business and diversify our current project development portfolio.

FINANCIAL PERFORMANCE

As at 30 June 2016, the Group had sold 310 of the 438 units at The Astaka. This represents a total sales value of RM794.8 million, which will be recognised from March 2018 when The Astaka is completed. As sales are recognised only upon project completion and transfer of ownership to buyers, the Group had no revenue in FY2016.

The Group incurred a net loss attributable to shareholders of RM111.0 million in FY2016 compared to a net loss of RM14.9 million in the previous year. The increased loss was mainly a result of other expenses of RM99.6 million, comprising a loss on reverse acquisition of RM63.6 million and fees in relation to the reverse takeover.

OUTLOOK

In our current financial year ending 30 June 2017, we will continue to market One Bukit Senyum in Singapore, Brunei, Taiwan, China and Indonesia. We are also on the lookout for strategic or joint-venture partners to develop some parts of One Bukit Senyum.

While developing One Bukit Senyum, we will explore opportunities for investments and acquisitions in Johor.

APPRECIATION

Following the completion of the reverse takeover, Dato' Zamani Bin Kasim became Chief Executive Officer and Executive Director, Mr. San Meng Chee was named Independent Director, and Mr. Lee Gee Aik was re-designated as Independent Director.

Dato' Wong Sin Just, Dr. Lo Wing Yan, Mr. William, J.P. and Mr. Lam Kin, Lionel have since stepped down from the Board. I thank them for their contributions.

On behalf of the Board, I would like to express my sincere gratitude to the management team and staff for their hard work. I am also grateful to all shareholders for your support.

MR. NEO GIM KIONG

Non-Executive Chairman
4 October 2016

CEO'S STATEMENT

DEAR SHAREHOLDERS,
I AM PLEASED TO DELIVER MY VERY FIRST MESSAGE TO SHAREHOLDERS AS CHIEF EXECUTIVE OFFICER OF ASTAKA HOLDINGS LIMITED ("ASTAKA").

CEO'S STATEMENT

We have been extremely busy in the financial year ended 30 June 2016 ("FY2016") and the months following. The most significant highlight for FY2016 was the listing of Astaka on the Catalist board of the Singapore Exchange following the completion of the reverse takeover of E2-Capital Holdings Limited on 19 November 2015.

The listing, which enabled us to raise net proceeds of approximately S$36.7 million through the issuance of shares, serves as a platform for Astaka to enhance its profile as a property developer in the Iskandar region in Johor, Malaysia.

We made substantial progress with our flagship project One Bukit Senyum, a mixed development in Johor with a gross floor area of 6.3 million square feet. The project has an estimated gross development value of RM5.4 billion.

In August 2016, we signed a memorandum of understanding with the Johor Bahru City Council, Majlis Bandaraya Johor Bahru ("MBJB"), for the construction and sale of its new headquarters, to be called Menara MBJB.

In the same month, we launched the masterplan for One Bukit Senyum at Menara MBJB's groundbreaking ceremony. The event was officiated by His Royal Highness, Sultan of Johor, Sultan Ibrahim Ibni Almarhum Sultan Iskandar.

One Bukit Senyum will be developed in two phases. The first comprises The Astaka @ One Bukit Senyum – two residential blocks with a total of 438 units, of which some 71% have been sold.

With 65 and 70 storeys respectively, they will be the tallest residential towers in Southeast Asia. Construction has reached the 43rd and 45th floor of towers A and B respectively.

The Astaka, which is slated for completion in 2018, has won several accolades, including Best Condo Development (Malaysia) by South East Asia Property Awards (Malaysia) 2015 and Best Luxury High Rise Development by iProperty.com People's Choice Awards, Malaysia.

The second phase of One Bukit Senyum will consist of a 450-room five-star hotel, 1,012 residences, 254 serviced apartments, a 1.5 million square feet shopping mall, a Grade A office building, and Menara MBJB.

The new 445,848 square feet MBJB headquarters is expected to be completed by the end of 2019 and house about 800 MBJB staff. A sale and purchase agreement for Menara MBJB is expected to be concluded later this year. With the relocation of the MBJB staff to Menara MBJB, One Bukit Senyum will be the administrative centre of Johor.

We believe One Bukit Senyum will be the property of choice for major corporations as well as individuals with a penchant for the finer things in life. Johor is in the midst of a major transformation. His Royal Highness, the Sultan of Johor, intends to turn Johor Bahru into Malaysia's most prominent city after Kuala Lumpur. We believe One Bukit Senyum, slated to be the next central business district of Johor Bahru, will be a key part of this transformation.

One Bukit Senyum will not just transform Johor's skyline, it will also help position the city as a metropolis of the region. One Bukit Senyum will be next to several iconic development and infrastructure projects, such as the Johor Bahru-Singapore Rapid Transit System and High Speed Rail. We expect these projects to boost real estate prices in Iskandar.

In October 2016, we expanded our property portfolio. We entered into a 51:49 joint venture to develop a 258.48-acre township close to the Pengerang Integrated Petroleum Complex and Refingery and Petronas' Refinery and Petrochemical Integrated Development. This will be Astaka's second major project that will further lift our profile as a leading integrated property developer.

Our FY2016 financial performance must be seen in the context of this change. As with all things new, it will take a bit of time before One Bukit Senyum starts contributing to Astaka's financial performance. Sales of The Astaka are only recognised when construction is completed and ownership is transferred to buyers. As such, the Group did not book any revenue in FY2016, even though 310 of the 438 units at The Astaka have been sold. Sales, totalling about RM794.8 million so far, will be recognised from March 2018.

Our other expenses in FY2016 increased to RM99.6 million due to fees in relation to the reverse takeover and a loss on reverse acquisition of RM63.6 million. As a result, the Group ended FY2016 with a net loss of RM111.0 million.

The value of our development properties increased to RM483.8 million as at 30 June 2016 from RM300.2 million as at 30 June 2015, reflecting the current stage of The Astaka's construction progress.

Our share capital increased to RM259.4 million from RM30.8 million over the comparative periods due to the compliance placement exercise and issuance of consideration shares in relation to the reverse takeover. While much more remains to be done, we have set a solid foundation for growth. With our vision and clarity of execution, I believe that Astaka will rise above all.

On behalf of the Board, I want to express my sincere appreciation to all shareholders and business associates for your support. I also wish to thank the rest of the management team as well as all staff for their contributions.

DATO' ZAMANI BIN KASIM

Executive Director and Chief Executive Officer
4 October 2016

FINANCIAL AND OPERATIONAL REVIEW

INCOME STATEMENT

Located in Johor Bahru, the Group's 438-unit residential development, The Astaka @ One Bukit Senyum ("The Astaka"), is slated for completion in March 2018. As at 30 June 2016, 310 of these units have been sold. As sales are recognised only upon completion of the property and when ownership is transferred to buyers, the Group did not book any revenue from the project in the financial year ended 30 June 2016 ("FY2016").

Other income decreased to RM494,000 in FY2016 from RM663,000 in the financial year ended 30 June 2015 ("FY2015") due to the decrease in forfeiture of booking fee income from the cancellation of bookings by certain buyers, by RM265,000. The decline was partially mitigated by higher interest income of RM117,000 in FY2016.

Selling and distribution expenses for FY2016 slipped to RM729,000 from RM764,000 in FY2015 as the Group adopted a more targeted marketing strategy. Administrative expenses declined to RM9.0 million from RM11.7 million mainly due to lower depreciation charges on property, plant and equipment.

Other expenses increased to RM99.6 million from RM4.7 million in FY2015, mainly due to the increase in professional fees in connection with the reverse takeover ("RTO") of RM3.4 million, acquisition costs arising from the RTO of RM63.6 million and arranger fees in the form of issuance of shares to the arranger of RM27.4 million.

Taken together, the Group recorded a net loss attributable to shareholders of RM111.0 million in FY2016, compared to a net loss of RM14.9 million in FY2015.

BALANCE SHEET

Non-current assets amounted to RM3.1 million as at 30 June 2016, compared to RM1.3 million as at 30 June 2015, mainly arose from the renovation of the new office space.

Current assets, including cash, rose to RM601.0 million as at 30 June 2016 from RM374.3 million as at 30 June 2015, mainly due to an increase in development properties in view of the construction progress of The Astaka. Cash and cash equivalents increased to RM50.3 million from RM3.2 million, lifted by proceeds from the issuance of placement shares.

Current liabilities climbed to RM376.1 million as at 30 June 2016 from RM294.9 million as at 30 June 2015 mainly due to the increases in trade and other payables and current tax liabilities. The increase of trade and other payables of RM76.8 million mainly arose due to additional progress billing to purchasers in respect of property development.

Non-current liabilities as at 30 June 2016 increased to RM90.7 million from RM61.0 million as at 30 June 2015 primarily due to draw down of term loans.

Share capital increased to RM259.4 million as at 30 June 2016 from RM30.8 million as at 30 June 2015, mainly from the issuance considerations shares as consideration for the RTO, and the issuance of compliance placement shares.

STATEMENT OF CASH FLOWS

Net cash used in operating activities amounted to RM104.5 million in FY2016 compared to RM67.8 million in FY2015. The increase was due mainly to the higher loss recorded in FY2016 and additional payments made to subcontractors, professionals and consultants for the development of The Astaka.

Net cash generated from investing activities amounted to RM6.6 million in FY2016 compared to net cash used of RM134,000 in FY2015. The net cash generated from investing activities in FY2016 was mainly due to the net cash received from the reverse acquisition.

Net cash generated from financing activities amounted to RM142.3 million in FY2016 compared to RM56.3 million in FY2015. This increase was largely due to the RM127.8 million proceeds from issuance of shares (net of share issue expenses) and net proceeds of RM23 million from term loans. This was partially offset by interest paid amounting to RM8.5 million.

The Group recorded a net increase in cash and cash equivalents of RM44.4 million in FY2016 compared to a net decrease of RM11.7 million in FY2015. As at 30 June 2016, net cash and cash equivalents amounted to RM34.3 million.


BRIDGE BUILDER FOUNDATION
NORWAY, INC.

CORPORATE SOCIAL RESPONSIBILITY

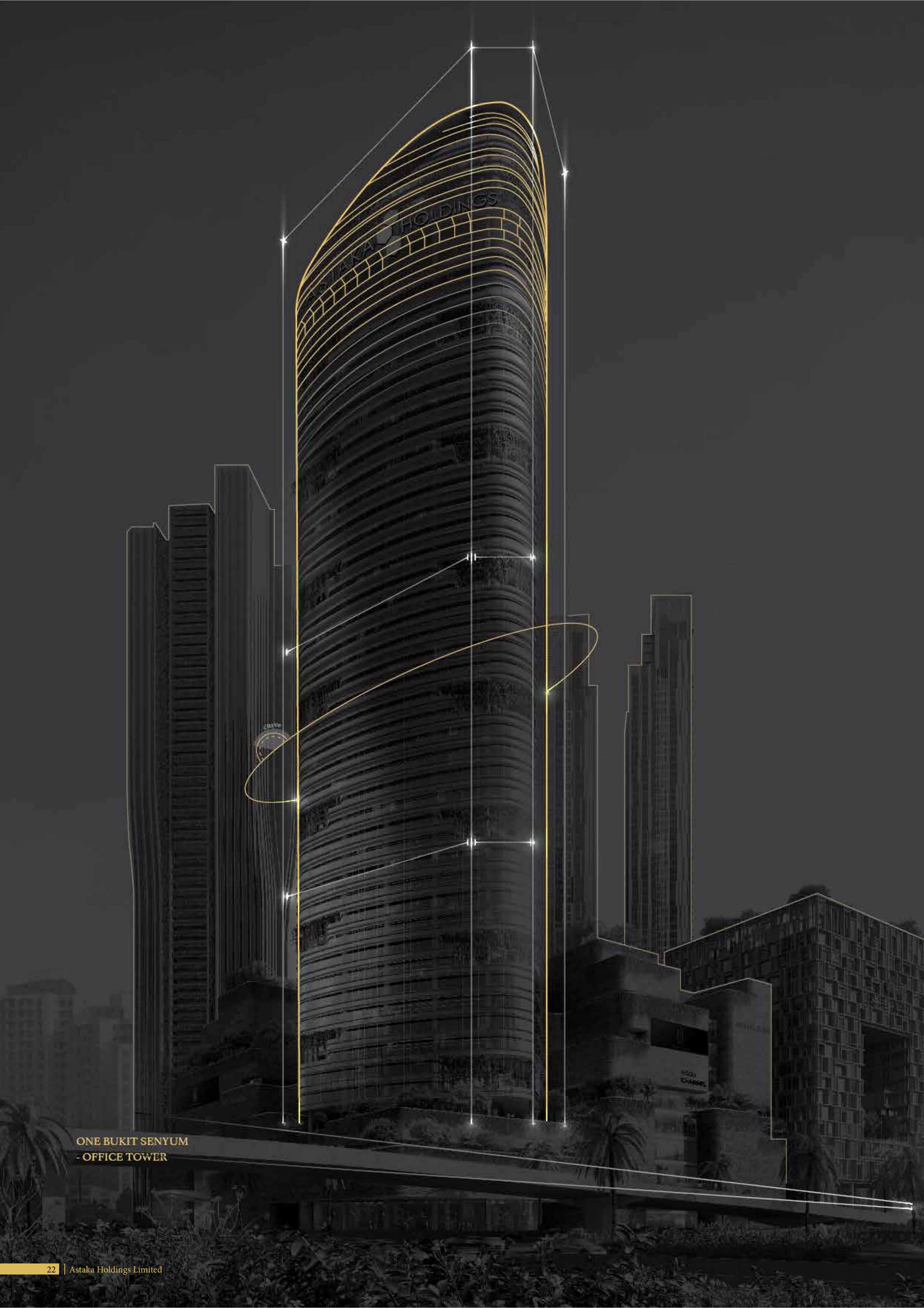
At Astaka Holdings Limited, we believe in contributing to our community and the people around us. The Group embraces this as a responsibility and continues to commit its efforts towards enhancing the well-being of the communities we operate in.

Our corporate social responsibility ("CSR") policies are designed by understanding the needs of the community for sustainable and scalable impact on both the society and environment. Our focus areas include, but are not limited to, supporting development projects, such as schools and clinics, and social impact activities to help those from disadvantaged sections within the community.

The Group takes on responsibility for the actions of our businesses. We will review and recommend policies in respect of CSR issues to be undertaken by the Group. This involves reviewing the health, safety and environmental policies and standards in relation to the Group's business operations, and reviewing the social impact of Astaka's business practices.

In July 2015, Astaka completed the construction of a three storey mosque at the Johor Police Headquarters in Johor Bahru. In August 2015, the Group officially handed over the mosque to the local community. This mosque will be used by the Muslim community and it is envisaged that maintenance and upkeep of the mosque will also be undertaken by the Group. In addition, the Group will be conducting outreach programmes for the community at this mosque.

Moving forward, the Group will continue to allocate funds and resources to crafting more corporate social responsibility programmes that will have long-term positive impact for the community.



ONE BUKIT SENYUM
- OFFICE TOWER

No.
03

GROWING TALL AND WIDE

A Canopy That Flowers Advancement

MR. NEO GIM KIONG

Non-Executive Chairman
and Independent Director

DATO' ZAMANI BIN KASIM

Executive Director
and Chief Executive Officer

BOARD OF DIRECTORS

MR. LEE GEE AIK

Independent Director

MR. SAN MENG CHEE

Independent Director

MR. NEO GIM KIONG

Non-Executive Chairman
and Independent Director

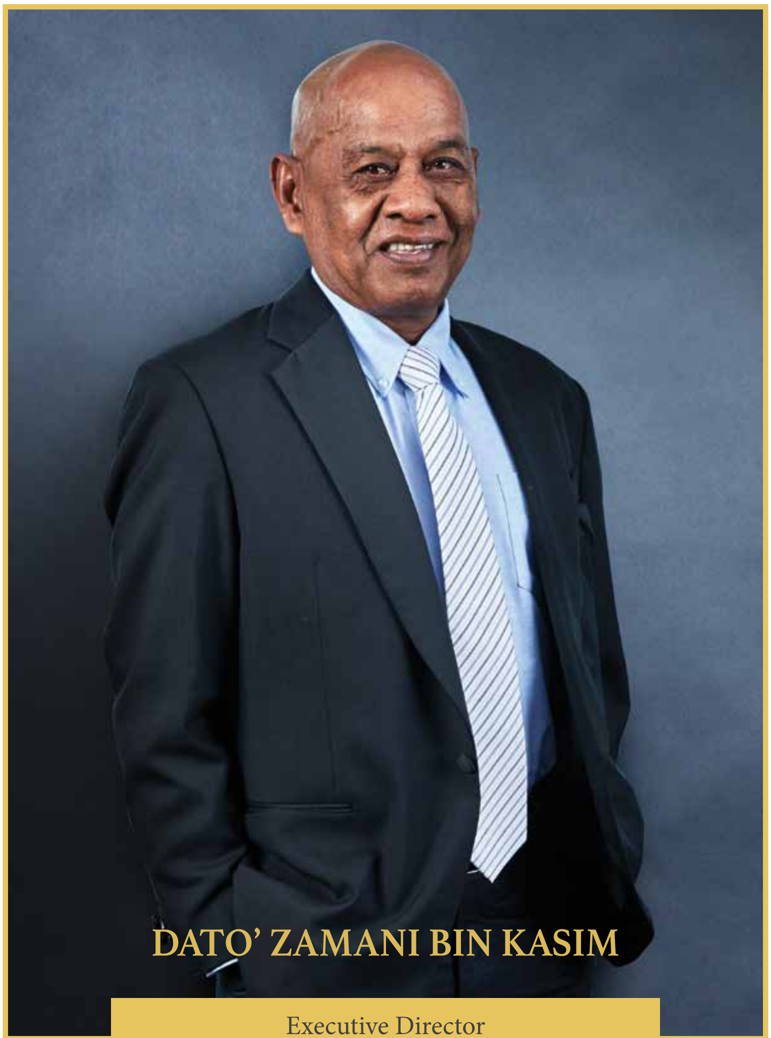
Mr. Neo Gim Kiong was appointed to the Board as Non-Executive Chairman and Independent Director on 19 November 2015.

Mr. Neo is presently the Executive Director and Chief Executive Officer of Sen Yue Holdings Ltd. He is the Founding Director of Dollar Tree Inc Pte Ltd, a business advisory firm incorporated in Singapore in 2004. Prior to 2004, he was with the banking sector overseeing a portfolio of corporate clientele from 1994 to 2001. He joined Jackspeed Corporation Limited in 2001, and as the Executive Director, spearheaded the listing of the group in 2003 on the Mainboard of Singapore Exchange.

He left Jackspeed Corporation Ltd in 2004 and rejoined as its Chief Executive Officer in 2009, where he successfully turned around the business operations of the group from losses to profitability in 2011.

Mr. Neo is an Independent Director of Ban Leong Technologies Limited and International Press Softcom Ltd. In addition, he is also a board member of the P.R. China Guangdong Province Overseas Exchange Association and Ningxia Autonomous Region Overseas Exchange Association.

He holds a Bachelor of Science Degree in Mathematics (Honours) from the National University of Singapore.



Executive Director
and Chief Executive Officer

Dato' Zamani Bin Kasim was appointed to the Board as Executive Director and Chief Executive Officer on 19 November 2015. Dato' Zamani has more than 35 years' experience in property development.

He began his career with C.H. Williams, Talhar & Wong as a valuation assistant, and later joined Agro Bank Malaysia (formerly known as Bank Pertanian Malaysia) as a planning and development officer for four years, overseeing the construction of the headquarters of Agro Bank Malaysia. Thereafter, Dato' Zamani joined Koperasi Belia Nasional Bhd as an Assistant General Manager and oversaw its various residential, commercial and industrial property development projects.

In January 1990, Dato' Zamani was appointed as General Manager of Sebana Holdings Sdn Bhd and Special Assistant to the Senior General Manager of Arab-Malaysian Development Bhd to oversee the development of Sebana Gold and Marina Resort.

In June 1997, he joined Azrahi Project Management Sdn Bhd as its Project Director. A notable project was the implementation up to the handing over of Seremban Hilton, a 345-room 5-star hotel, to Hilton International for business operations. Dato' Zamani's experience includes property development in the African region, from 2004 to 2006 as Regional Head for Africa with Seloga Holdings Bhd, a company listed on the Second Board of Bursa Malaysia. He was appointed Senior General Manager of UEM Land Bhd from 2006 to 2010 and oversaw its Puteri Harbour projects. In recognition of his contributions to the Puteri Harbour project, Dato' Zamani was awarded Best Executive Award for UEM Group in 2009. During his service there, Puteri Harbour was awarded The Best Masterplan by FIABCI and came in 2nd at the FIABCI Pre D' Excellance in 2009.

Dato' Zamani graduated from Universiti Sains, Malaysia with a Bachelor of Science (Housing, Building and Planning) degree with honours.

MR. LEE GEE AIK

Independent Director

Mr. Lee Gee Aik was re-designated as Independent Director of the Board on 19 November 2015. Prior to this, he was the Executive Vice Chairman from 29 January 2014.

Mr. Lee is currently a practising director of R Chan & Associates PAC, a member firm of the Morison KSI network of accountants, and is an Independent Director of four other Singapore-listed companies, namely Anchun International Holdings Limited, SHS Holdings Limited, Uni-Asia Holdings Limited and LHN Limited. He is also a practising director in Max Management Pte Ltd, a boutique firm providing tax services. Mr. Lee started his career as an auditor in one of the Big Four accounting firms in 1979 and was subsequently seconded to their USA Executive Office from 1986 to 1988, specialising in professional development and research work in audit methodologies and financial reporting. He left as a Senior Audit Manager in 1993. Between 1993 to 1998, Mr. Lee was the controller of Omni Marco Polo Hotel Singapore, prior to him becoming a practising public accountant in 1998.

Mr. Lee qualified as a Chartered Certified Accountant with The Association of Chartered Certified Accountants, United Kingdom in 1984. He holds a Masters degree in Business Administration from Henley Management College, United Kingdom. He is currently a Fellow with The Association of Chartered Certified Accountants, United Kingdom and The Institute of Certified Public Accountants of Singapore. He is also an Accredited Tax Advisor with the Singapore Institute of Accredited Tax Professionals. He has been appointed by the Minister of Health to serve as Lay Person member of the Complaints Panel of the Singapore Pharmacy Council.

Independent Director

Mr. San Meng Chee was appointed as Independent Director of the Board on 19 November 2015.

Mr. San is currently the Chief Financial Officer ("CFO") of New Toyo International Holdings Ltd, responsible for its corporate finance activities, investor relations and all aspects of the treasury, financial and accounting functions.

Mr. San has more than 20 years of experience in accounting, financial and corporate matters. He has held senior financial positions in listed companies and served as CFO of Superior Multi-Packaging Limited from September 2006 to August 2013. Prior to that, he was the Group Financial Controller of New Toyo International Holdings Ltd from October 2004 to August 2006. Mr. San is also currently an Independent Director of Forise International Limited, which is listed on the Mainboard of the Singapore Exchange Securities Trading Limited.

He holds a Bachelor of Business degree in Accountancy from the Edith Cowan University, Western Australia and is a fellow member of CPA Australia.

MS. DAENG HAMIZAH BINTI ABD AZIZ

Chief Operating Officer

Ms. Daeng Hamizah Binti Abd Aziz was appointed as Chief Operating Officer of the Group on 1 October 2016. She oversees the daily operations of the Group, liaises with government authorities, plans strategic activities and ensures effectiveness and efficiency of the operational processors.

Ms. Daeng first joined the Group in June 2012 as a Project Executive and held various positions including Special Assistant to the Chief Executive Officer where she oversaw several departments, assisted in fundraising activities and acquisition of development projects. Ms. Daeng also played an instrumental role in the reverse takeover of E2-Capital Holdings Limited in November 2015.

Ms. Daeng began her professional career as an Assistant Quantity Surveyor. Subsequently, she joined JB Bergabung Sdn Bhd as a Project Executive.

She is presently a Director of Equapro Sdn Bhd and holds a Bachelors Degree in Surveying (with Honours) from The Robert Gordon University of Scotland in 2011.

MR. YAP KOONG LOONG

Finance Director

Mr. Yap Koon Loong was appointed as Finance Director of the Group on 19 November 2015. He oversees the Group's financial strategies, advises on changes in financial matters and develops financial management mechanisms that minimises financial risk.

Mr. Yap began his professional career in 2000 as an assistant finance manager with Ezyhealth Asia Pacific Ltd. He joined BreadTalk Pte Ltd in 2004 as an accountant, conducting financial analysis on the accounts of the Singapore outlets and overseas franchisees, monitoring capital and operation expenditures.

He rejoined Ezyhealth Asia Pacific Ltd as finance manager in 2005 to oversee its various financial activities. Between 2007 and 2013, he held senior financial positions in various listed companies including Pacific Healthcare Holdings Ltd, Excelpoint Technology Ltd, ChungHong Holdings Ltd, Renewable Energy Asia Group Ltd and P99 Holdings Ltd.

Prior to joining Astaka as Finance Director, Mr. Yap was the Chief Financial Officer of Blackco Group Pte Ltd. Mr. Yap holds a Graduate Diploma in Accounting and Master of Business in Professional Accounting from Victoria University of Technology, Australia in June 1998.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Non-Executive Chairman and Independent Director
Mr. Neo Gim Kiong

Executive Director and Chief Executive Officer
Dato' Zamani Bin Kasim

Independent Director
Mr. Lee Gee Aik

Independent Director
Mr. San Meng Chee

REGISTERED OFFICE

38 Beach Road
#29-11 South Beach Tower
Singapore 189767

WEBSITE

www.astaka.com.my

AUDIT COMMITTEE

Mr. Lee Gee Aik (*Chairman*)
Mr. Neo Gim Kiong
Mr. San Meng Chee

REMUNERATION COMMITTEE

Mr. San Meng Chee (*Chairman*)
Mr. Neo Gim Kiong
Mr. Lee Gee Aik

COMPANY SECRETARY

Ms. Cheng Lisa, ACIS

NOMINATING COMMITTEE

Mr. Neo Gim Kiong (*Chairman*)
Mr. Lee Gee Aik
Mr. San Meng Chee

PRINCIPAL PLACE OF BUSINESS

22, Jalan Padi Emas 1/4
UDA Business Centre, 81200 Johor Bahru, Johor

SPONSOR

PrimePartners Corporate Finance Pte. Ltd.
16 Collyer Quay
#10-00 Income at Raffles
Singapore 049318

AUDITORS

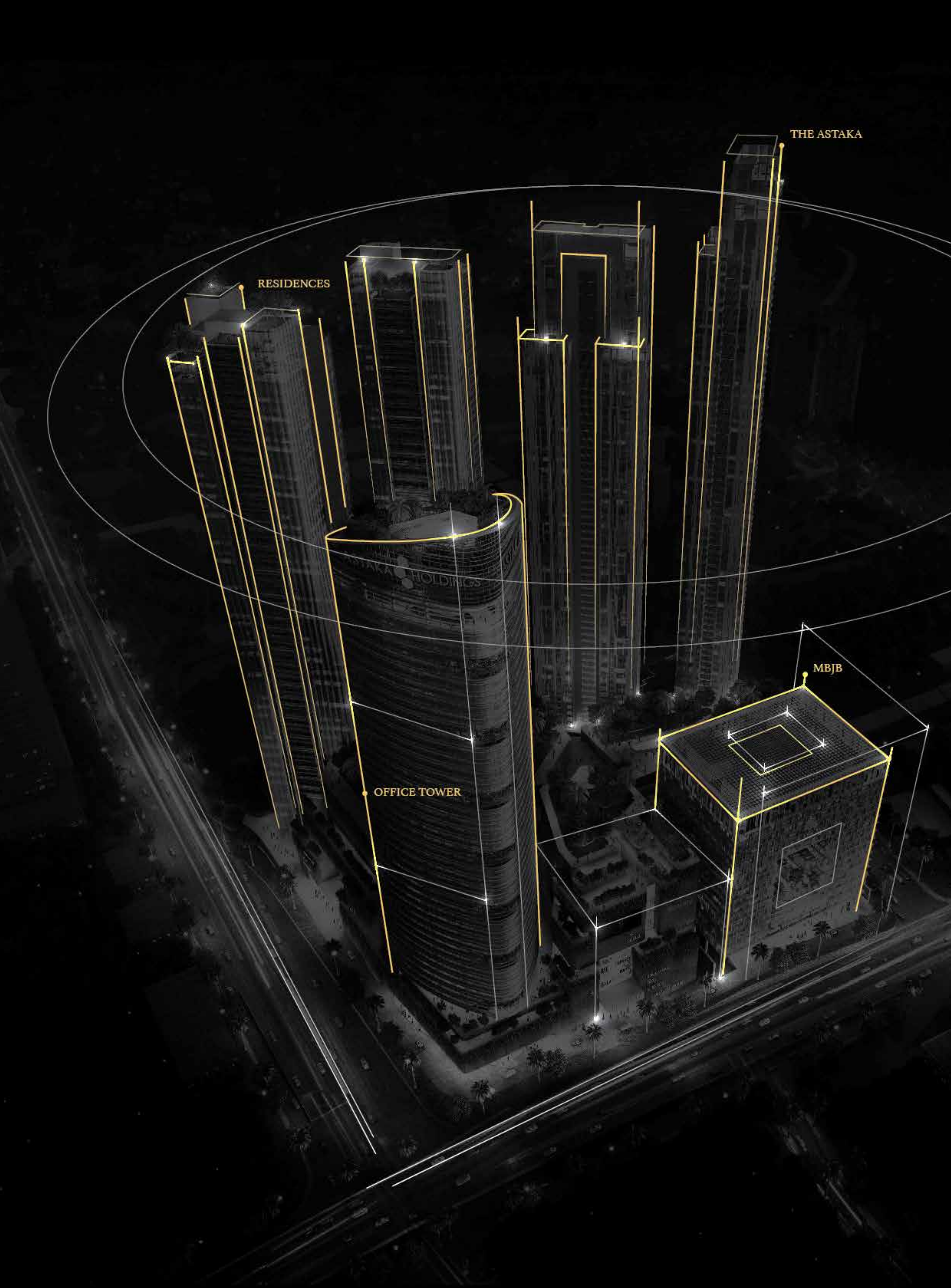
PricewaterhouseCoopers LLP
8 Cross Street
#17-00 PWC Building
Singapore 048424
Partner-in-charge: Ms. Rebekah Khan
(since financial year 30 June 2016)

PRINCIPAL BANKER

Malayan Banking Berhad
2 Battery Road
#21-01 Maybank Tower
Singapore 049907

Maybank Islamic Bank
Regional Corporate Banking, Johor
Level 13, Office Tower, Johor Bahru City Square
No. 108, Jalan Wong Ah Fook
80000 Johor Bahru, Johor


ONE BUKIT SENYUM - MASTERPLAN


THE ASTAKA
RESIDENCES
MBJB
OFFICE TOWER

No. 04

A SUCCESS ABOVE ALL

Securing The Height Of Our Achievements

CORPORATE GOVERNANCE REPORT

The Board of Directors (the “Board”) of Astaka Holdings Limited (the “Company” and together with its subsidiaries, the “Group”) are committed to maintaining high standards of corporate governance and places importance on its corporate governance processes and systems so as to ensure greater transparency, accountability and maximisation of long-term shareholder value.

This report sets out the Company’s corporate governance framework and practices for the financial year ended 30 June 2016 (“FY2016”) with reference to the Code of Corporate Governance 2012 (the “Code”) and the disclosure guide developed by the Singapore Exchange Securities Trading Limited (the “SGX-ST”) in January 2015 (the “Guide”). The Board is pleased to report the compliance with the principles of the Code and the Guide except where otherwise stated and explained.

Following the completion of the acquisition of approximately 99.99% of equity interest in Astaka Padu Limited (“RTO”) on 19 November 2015, the Board which had been in office prior to the completion of the RTO during the financial year under review (except for Mr. Lee Gee Aik who was re-designated from Executive Vice Chairman to Independent Director following the completion of the RTO) had stepped down and had been replaced by a new Board.

BOARD MATTERS

THE BOARD’S CONDUCT OF AFFAIRS

The Board provides strategic guidance, oversees the key activities for the Company and ensures that there are adequate financial and human resources to achieve its objectives and long-term success of the business.

Roles and Duties of the Board

The Board’s principal functions include providing entrepreneurial leadership and approving strategic business plans, annual budget plan, major acquisition and disposal of assets and businesses, and financial results of the Group. It also establishes a framework of prudent and effective controls appropriate to the nature and size of the Group’s operations which enable risks to be assessed and managed, including safeguarding of shareholders’ interests and the Company’s assets and sets corporate values and standards (including ethical standards) for the Company to ensure that the obligation to shareholders and other stakeholders are met. In addition, the Board reviews the Company’s corporate policies and financial performance.

The Board is responsible for long-term succession of the Company and will also consider sustainability issues, including environmental and social factors, as part of the strategic formulation of the Group.

Delegations of Authority to Board Committees

The Board has established a number of committees to assist the Board in discharging its responsibilities efficiently and effectively. These committees include the Audit Committee (“AC”), the Remuneration Committee (“RC”) and the Nominating Committee (“NC”) (collectively the “Board Committees”). Each of the Board Committees’ functions, roles and authorities are clearly set out in their respective terms of reference.

Meeting of the Board and Board Committees

The Board conducts regularly scheduled meetings on a quarterly basis to coincide with the announcement of the Group’s quarterly and full-year financial results and to keep the Board updated on business activities and the overall business environment in which the Group operates. Additional meetings are convened as and when circumstances dictate. The Company’s Constitution allows meetings to be conducted by way of telephone conferencing or any other electronic means of communication.

The number of Board and Board Committee meetings held in FY2016 and the attendance of each Director are set out as follows :

		Board	Audit Committee	Remuneration Committee	Nominating Committee
No. of meetings held in FY2016		4	3	2	2
Name of Directors	**Designation**	**No. of meetings attended in FY2016**			
Mr. Neo Gim Kiong[1]	Non-Executive Chairman and Independent Director	2	2	1	1
Mr. Lee Gee Aik[2]	Independent Director	4	3	2	2
Mr. San Meng Chee[3]	Independent Director	2	2	1	1
Dato' Zamani Bin Kasim[4]	Executive Director and Chief Executive Officer	2	2 (By invitation)	1 (By invitation)	1 (By invitation)
Dato' Wong Sin Just[5]	Ex-Non-Executive Chairman	2	1	1	1
Mr. Lam Kin, Lionel[6]	Ex-Independent Director	2	1	1	1
Dr. Lo Wing Yan, William, J.P.[7]	Ex-Lead Independent Director	2	1	1	1

Notes:

1. Mr. Neo Gim Kiong was appointed as the Non-Executive Chairman and Independent Director of the Company on 19 November 2015. He is the Chairman of the NC and a member of the AC and RC.
2. Mr. Lee Gee Aik was re-designated as an Independent Director of the Company on 19 November 2015. He is the Chairman of the AC and a member of the NC and RC.
3. Mr. San Meng Chee was appointed as an Independent Director of the Company on 19 November 2015. He is the Chairman of the RC and a member of the AC and NC.
4. Dato' Zamani Bin Kasim was appointed as the Executive Director and Chief Executive Officer ("CEO") of the Company on 19 November 2015.
5. Dato' Wong Sin Just resigned as the Non-Executive Chairman of the Company on 19 November 2015 and ceased to be a member of AC, NC and RC.
6. Mr. Lam Kin, Lionel resigned as an Independent Director of the Company on 19 November 2015 and ceased to be Chairman of the NC and RC and a member of the AC.
7. Dr. Lo Wing Yan William, J.P. resigned as the Lead Independent Director of the Company on 19 November 2015 and ceased to be Chair man of the AC and a member of the NC and RC.

Matters Reserved for the Board's Decision

The Company has established approval limits for operating and capital expenditure, procurement of goods and services as well as operational and financial authorisation on daily and ad hoc operation decision-making. In addition to matters that specifically require the Board's approval, such as the review and approval of periodic and full-year financial results announcement and annual audited financial statements, major acquisitions and realisations, issue of shares, interested person transactions, appointment of new Directors, dividend distributions and other returns to shareholders, the Board approves transactions exceeding certain designated threshold limits, while delegating authority for transactions below those limits to the Board Committees and Management so as to optimise operation efficiency.

Appointment and Training for Directors

Upon the completion of the RTO on 19 November 2015, Mr. Neo Gim Kiong, Mr. San Meng Chee and Dato' Zamani Bin Kasim (who is a director of Astaka Padu Limited ("APL"), an indirect 99.99%-owned subsidiary of the Company) were appointed to the Board (the "New Directors") and Mr. Lee Gee Aik was re-designated from Executive Vice Chairman to an Independent Director of the Company. Mr. Neo Gim Kiong, Mr. San Meng Chee and Mr. Lee Gee Aik have prior experience as directors of public listed companies in Singapore, and are familiar with the roles and responsibilities of a director of a public listed company in Singapore. Mr. Neo Gim Kiong, Mr. San Meng Chee and Mr. Lee Gee Aik were briefed on the Group's business activities and its strategic directions. Dato' Zamani Bin Kasim has undertaken the relevant training in Singapore to familiarise himself with the roles and responsibilities of a director of a public listed company in Singapore, The Directors have the obligations to act in good faith and in the best interests of the Company. The Company will provide newly appointed directors with a formal letter setting out their duties and obligations.

The Company recognises the importance of appropriate training for the Directors, apart from the initial orientation. The Directors are updated on amendments and/or requirements of the Listing Manual of the SGX-ST, Section B: Rules of Catalist (the "Catalist Rules") and other statutory and regulatory requirements from time to time, to enable them to discharge their duties effectively. Continuing training particularly on relevant new laws, regulations and changing commercial risks (including updates on the real estate development in Malaysia) will be provided to the Directors from time to time. In FY2016, the Company's external auditor, PricewaterhouseCoopers LLC, had briefed the AC members on developments and/or changes in the auditors' report and accounting standards.

BOARD COMPOSITION AND GUIDANCE

Composition of the Board

The Board comprises one (1) Executive Director and three (3) Independent Directors (including the Chairman of the Board). As the Independent Directors make up 75% of the Board, no individual or small group of individuals dominate the Board's decision-making. The requirement of the Code that at least one-third of the Board comprise Independent Directors is satisfied.

Independence of Directors

The Independent Directors have confirmed that they do not have any relationship with the Company or its related corporations, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgment with a view to the best interest of the Company. The Board considers an Independent Director as one who has no relationship with the Company, its related corporations, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgement of the Company's affairs with a view to the best interests of the Company.

The Board has taken into account the views of the NC on whether a Director is independent in character and judgment and whether there are relationships or circumstances which are likely to affect or could appear to affect the Director's judgment. In assessing the independence of each Director, the NC had examined different relationships identified by the Code that might impair the Directors' independence and objectivity. The NC had reviewed and determined that the said Directors are independent.

There are no Independent Directors who have served beyond nine (9) years since the date of their first appointments.

Prior to the completion of the RTO, Mr. Lee Gee Aik was previously the lead independent non-executive director of the Company from December 2008 until January 2014 when he was re-designated as the Executive Vice Chairman of the Company (the "Re-Designation"). As all of the then executive directors of the Company had resigned following the completion of the disposal of the Company's previous travel business in January 2014, the Company had ceased to have any operating business and was deemed a cash company under the Catalist Rules. The Re-Designation was purely procedural in nature in order to maintain continuity of the cash company in respect of its corporate affairs.

Save for acting as the liaison between the Company and the shareholders of APL in respect of the RTO, Mr. Lee Gee Aik does not have any relationship with the Astaka group of companies (the "Astaka Group"), APL, the APL shareholders or the New Directors. Mr. Lee Gee Aik is not and will not be obligated or bound to take instructions or directions from the Board of Directors in deciding on matters relating to the Group.

Accordingly, Mr. Lee Gee Aik will not be influenced or affected by the views or interests of the Board of Directors in respect of matters concerning the Group and will be able to exercise independent business judgment with a view to furthering the best interests of the Company.

Size, Composition and Competency of the Board

The NC, taking into account the nature of operations of the Group, reviews the size and composition of the Board from time to time, to ensure that the size of the Board is conducive for effective discussion and decision-making with an appropriate number of Independent Directors. The NC seeks to maintain an appropriate balance of expertise and attributes among the Directors, including relevant core competencies in areas such as accounting and finance, business and management, strategic planning and real estate related industry knowledge, familiarity with regulatory and compliance requirements and knowledge of risk management. The Board collectively has the appropriate balance of the professional expertise in the aforementioned areas.

The diversity of the Directors' experience allows for the useful exchange of ideas and views. Taking into account the scope and nature of the operations of the Group, the Board considers its current size to be appropriate for effective decision-making.

The performance evaluation of the Board is carried out annually. The Directors are requested to complete a Board evaluation questionnaire designed to seek their view on various aspects of the Board's performance. The results were thereafter compiled and submitted by the Company Secretary to the NC Chairman, in consultation with the NC, to access if the current size of the Board, combined experience, skills, knowledge and expertise of the Directors provide effective decision-making and leadership to the Company and to understand the range of expertise that is lacking by the Board, if any. The NC is of the view that the current Board comprises persons who as a group possesses the professional experience and provides capabilities required for the Board and the Board Committees to be effective.

Check and Balance Provided by Independent and/or Non-Executive Directors
Independent and/or Non-Executive Directors constructively challenge and help develop proposals on strategy and review the performance of Management in meeting agreed goals and objectives and monitor the reporting of the Group's performance.

The Independent and/or Non-Executive Directors communicate with each other without the presence of Management as and when the need arises. The Company also benefits from Management's ready access to its Directors for guidance and exchange of views at the Board and Board Committee meetings or informal meetings.

Key information of the Directors is set out on pages 26 - 29 of this annual report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Clear Division of Responsibilities and Authorities
Mr. Neo Gim Kiong is the Non-Executive Independent Chairman of the Board, and Dato' Zamani Bin Kasim is the Executive Director and CEO of the Company. Mr. Neo Gim Kiong and Dato' Zamani Bin Kasim are not related to each other. There is a clear division of roles and responsibilities between the Non-Executive Independent Chairman and the CEO to ensure an appropriate balance of power and authority, thus no individual represents a considerable concentration of power.

The CEO is responsible for charting and reviewing corporate directions and strategies, which cover areas of marketing and strategic alliances and providing the Company and/or the Group with strong leadership and vision while the Non-Executive Independent Chairman is responsible for providing leadership to the Board and for enhancing the effectiveness of the Board, Board Committees and individual directors.

In addition, the Chairman ensures that Board meetings are held as and when necessary, sets the meeting agenda and ensures that adequate time is available for discussion of all agenda items, in particular strategic issues. He also ensures that any information and materials to be discussed at Board meetings are circulated on a timely basis to Directors so as to enable them to be updated and prepared, thereby enhancing the effectiveness of the Non-Executive Directors and the Board as a whole. He engages and promotes constructive engagement among the Directors and engages with Management regularly. The Chairman assumes the lead role in promoting high standards of corporate governance.

BOARD MEMBERSHIP

Composition of the Nominating Committee
The NC is chaired by Mr. Neo Gim Kiong with Mr. Lee Gee Aik and Mr. San Meng Chee as members, all of whom are independent. The NC Chairman is not associated with any substantial shareholders or officers of the Company.

Roles and Responsibilities of the Nominating Committee
The NC carries out its duties in accordance with the written terms of reference of the NC, which include:

(i) to make recommendations to the Board on the appointment and re-appointment of Directors;

(ii) to regularly review the Board structure, size and composition and make recommendations to the Board with regards to any adjustments that are deemed necessary;

(iii) to determine the process for the search, nomination, selection and appointment of new board members and assess nominees or candidates for appointment or election to the Board, determining whether or not such nominee has the requisite qualifications and whether or not he is independent. Important issues to be considered as part of the process for the selection, appointment and re-appointment of Directors include the composition and progressive renewal of the Board and each Director's competencies, commitment, contribution and performance (e.g. attendance, preparedness, participation and candour) including, if applicable, as an independent Director;

(iv) to review and make recommendations to the Board on matters relating to the succession plans for Directors, in particular, the Chairman and Chief Executive Officer;

(v) to develop a process for the evaluation of the performance of the Board, its Board Committees and Directors;

(vi) to determine how the Board's performance may be evaluated and propose objective performance criteria;

(vii) to assess the effectiveness of the Board as a whole and the Board Committees and to assess the contribution by the Chairman and each individual Director to the effectiveness of the Board and Board Committees;

(viii) to review training and professional development programmes for the Board;

(ix) to determine, on an annual basis, if a Director is independent;

(x) to make recommendations to the Board for the continuation (or not) in the services of any Director who has reached the age of seventy (70) years, where appropriate;

(xi) to recommend Directors who are retiring by rotation or are newly appointed to be put forward for re-election;

(xii) to review and determine whether the Director is able to and has been adequately carrying out his duties as a Director of the Company, taking into consideration, *inter alia*, the Director's number of listed company board representations and other principal commitments; and

(xiii) such other duties or functions as may be delegated by the Board or required by regulatory authorities.

Commitments of Directors

The NC assesses each Director's competencies, commitment, contribution and performance, as well as independence on an annual basis or when necessary to decide whether a Director is able to, and has been adequately carrying out his duties as a Director.

The NC has adopted internal guidelines to address competing time commitments of Directors who serve on multiple boards by setting a maximum number of listed company board representations of not more than 6.

Having assessed the capacity of the Directors based on factors such as the expected and/or competing time commitments of Directors, the size and composition of the Board and the nature and scope of the Group's operations and size, the Board is of the view that this number would allow Directors to have increased exposure to different Boards and broaden their experience and knowledge in relation to Board matters, hence ultimately benefitting the Company and the Group.

The NC will review whether a Director is able to and has adequately carried out his duties as a director of the Company from time to time, in particular, where a Director has multiple board representations and/or other principal commitments. Although some of the Board members have multiple board representations and hold other principal commitments, the NC, having reviewed each Director's other listed company directorships and/or principal commitments, where applicable, as well as each Director's attendance and contributions to the Board, is satisfied that sufficient time and attention was given by the Directors to the Company to discharge their responsibilities for the financial year in review. Holistically, the contributions by the Directors during the meetings and attendance at such meetings should also be taken into consideration. The NC would continue to review from time to time the board representations of each Director to ensure that the Directors continue to meet the demands of the Company and/or Group and are able to discharge their duties adequately.

Process for the Selection, Appointment and Re-appointment of Directors

The NC would evaluate the current needs of the Board to determine the relevant competencies required. The Company has in place a search and nomination process for the appointment of new Directors. Potential candidates are sourced from the Board's and Management's network of contacts and are identified based on the needs and the relevant expertise required by the Company. The Company may appoint professional search firms and recruitment consultants to assist in the selection and evaluation process if the appointment requires a specific skill set or industry specialisation. The NC, having assessed each candidate based on the essential and desirable competencies for a particular appointment, will nominate the most suitable candidate for appointment to the Board.

To ensure the independence of the Director's appointment, re-nomination and retirement, each member of the NC abstains from voting on any resolution and making any recommendations and/or participating in respect of matters of which he has an interest in.

As at the date of this report, the Company does not have any alternate Directors.

All Directors are subjected to the Regulation in the Constitution whereby one-third (1/3) of the Directors are required to retire by rotation and be nominated for re-election by the shareholders at the Annual General Meeting (the "AGM"). Accordingly, the Directors are to submit themselves for re-nomination and re-election at regular intervals and at least once every three (3) years. In addition, any Director appointed during the financial year shall hold office until the next AGM.

In considering the nomination, the NC took into account the composition of the Board, and the competency, performance and contribution of the Directors with reference to their attendance, preparedness and participation in the Board and Board Committees as well as the time and effort accorded to the Company's business and affairs.

The NC had recommended to the Board that Mr. Neo Gim Kiong, Mr. Lee Gee Aik, Mr. San Meng Chee andDato' Zamani Bin Kasim be nominated for re-election at the forthcoming AGM. Mr. Neo Gim Kiong will, upon re-election as a Director of the Company, remain as the Non-Executive Chairman and Independent Director of the Company, Chairman of the NC and a member of the AC and the RC. Mr. Lee Gee Aik will, upon re-election as a Director of the Company, remain as an Independent Director, the Chairman of the AC and a member of the NC and the RC. Mr. San Meng Chee will, upon re-election as a Director of the Company, remain as an Independent Director, the Chairman of the RC and a member of the AC and the NC. Dato' Zamani Bin Kasim will, upon re-election as a Director of the Company, remain as the Executive Director and Chief Executive Officer. In making the recommendations, the NC had considered the Directors' overall contribution and performance. The respective Director has abstained from making any recommendation and/or participating in any deliberation of the NC in respect of the assessment of their re-election as a Director. Mr. Neo Gim Kiong, Mr. Lee Gee Aik and Mr. San Meng Chee will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

A record of the NC members' attendance at the NC meetings during FY2016 is set out on page 37 of this annual report. Key information of the Directors is set out on pages 26 - 29 of this annual report.

BOARD PERFORMANCE

Assessment of the Effectiveness of the Board and Board Committees

The Board and NC strive to ensure that the Directors on the Board possess the experience, knowledge and skills critical to the Company's business so as to enable the Board to make sound and well-considered strategic decisions. The NC assesses the independence of each Director according to the guidance given under the Code. The NC also reviews the Directors' attendance, preparedness, participation and candour in the meetings.

The performance evaluation was conducted for the Board as a whole and each of the Board Committees (namely the AC, NC and RC) in FY2016 for assessing the contribution by the Chairman and each of the Board Committees' members to the effectiveness of the Board. This evaluation exercise reviews the effectiveness of the Board as a whole and of its Board Committees and provides an opportunity to obtain constructive feedback from each Director and Board Committee member on whether procedures and processes had allowed him to discharge his duties effectively. They were also encouraged to propose changes which may be made to enhance the effectiveness of the Board and Board Committees.

In evaluating the Board's and the Board Committees' performance, the NC considers a set of quantitative and qualitative performance criteria that has been approved by the Board. The performance criteria for the Board evaluation includes:–

(i) Board size and composition;
(ii) Board information;
(iii) Board process and accountability;
(iv) Board Committee performance in relation to discharging their responsibilities set out in the respective terms of reference; and
(v) Standards of conduct.

The NC has assessed the performance of the Board as a whole and the Board Committees based on the above quantitative and qualitative performance criteria approved by the Board.

The following director's performance criterions were assessed by the NC during the annual Board performance evaluation:

(a) Interactive skills;
(b) Knowledge including professional expertise, specialist or functional contribution and regional expertise;
(c) Duties including attendance at meetings, meeting preparation, participation and performance of specific assignments; and
(d) Conduct including maintenance of independence, disclosure of related party transactions and compliance with Company policies.

The performance evaluation for FY2016 was conducted by having all Directors complete a questionnaire, which included questions on the Board and Board Committees' composition and effectiveness as well as process and contribution, timeliness of Board information and accountability. The NC discussed the results of the performance evaluation and tabled the appropriate improvements to be taken up with the Chairman of the Board and of each Board Committee. No external facilitator had been engaged by the Board for this purpose.

As the current Board was constituted following the completion of the RTO on 19 November 2015, the NC agreed that it would be more meaningful to carry out the assessment of the individual directors to the effectiveness of the Board during the financial year ending 30 June 2017.

The NC is of the view that the performance of the Board as a whole and the Board Committees were satisfactory.

ACCESS TO INFORMATION

Provision of Information to the Board

Prior to each Board meeting and when the need arises, the Board is provided with adequate information (including but not limited to board papers, budgets and/or forecasts and reports on on-going or planned corporate actions) in a timely manner, thus allowing them to deliberate on issues which require consideration. Management also provides the Board with periodic management reports pertaining to the operational and financial performance as well as through informal discussions on the Company to enable the Board to be fully cognisant of the decisions and actions of Management. Directors are entitled to request from Management and be provided with additional information as needed to make informed decisions to discharge their duties and responsibilities.

Board's Access to Management and the Company Secretary

The Directors have separate and independent access to Management and the Company Secretary at all times. They also have unrestricted access to the Company's records and information. The Company Secretary administers, attends and prepares minutes of all Board and Board Committee meetings for circulation and approval. The appointment and the removal of the Company Secretary rests with the Board as a whole.

Roles and Responsibilities of the Company Secretary

The Company Secretary is responsible for, amongst other things, ensuring that Board procedures are observed and that applicable rules and regulations are complied with. Under the direction of the Chairman, the Company Secretary is also responsible for ensuring good information flows within the Board and Board Committees, and between Management and Non-Executive Directors, advising the Board on all governance matters, as well as facilitating orientation and assisting with professional development as required. The Company Secretary and/or her representative attended all Board and Board Committees' meetings held in FY2016.

Board's Access to Independent Professional Advice
Procedures are in place for the Directors and Board Committees, where necessary, to seek independent professional advice in the furtherance of their duties and on matters affecting the Company, at the Company's expense.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Composition of the Remuneration Committee
The RC was established with written terms of reference, which sets out the role and authority delegated to it by the Board. The RC comprises Mr. San Meng Chee who is the Chairman of the RC, Mr. Neo Gim Kiong and Mr. Lee Gee Aik.

All the members of the RC (including the RC Chairman) are Independent Directors, free from any business or other relationships which may materially interfere with the exercise of their independent judgment. This is to minimise the risk of any potential conflict of interest. No Director is involved in deciding his own remuneration.

A record of the RC members' attendance at the RC meetings during FY2016 is set out on page 37 of this annual report.

Remuneration Committee
The RC was established to review and recommend to the Board:

(i) a general framework of remuneration for the Board members and key management personnel;

(ii) the specific remuneration package and terms of employment for each Executive Director, key management personnel of the Group and employees related to Directors or controlling shareholders of the Company;

(iii) whether the Executive Directors and key management personnel should be eligible for benefits under any long-term incentive schemes which may be set up from time to time and to do all acts necessary in connection therewith;

(iv) the Company's share option scheme (which was implemented on 23 December 2008) and any other share option scheme or share plan established from time to time for the Directors and key management personnel; and

(v) Directors' fees and relevant remuneration packages for Non-Executive Directors, which are subject to shareholders' approval at the AGM.

The RC considers the compensation and commitments of each Director, if any. This would entail, in the event of early termination, the review of contract of service, if any, with a view to be fair and not overly generous.

Remuneration Committee's Access to Advice on Remuneration Matters

The RC has access to professional advice regarding compensation matters, if required. No remuneration experts have been appointed to advise on remuneration matters for FY2016.

LEVEL AND MIX OF REMUNERATION

Determining the Remuneration of Executive Director(s) and Key Management Personnel

The RC makes recommendations on an appropriate framework of remuneration taking into account employment conditions within the industry and the Company's performance to ensure that the package is competitive and sufficient to attract, retain and motivate the Executive Director and key management personnel, if any, so as to align their interests with those of shareholders and promote the long-term success of the Company. The performance related remuneration of the Executive Director and key management personnel are determined based on the performance of the ongoing operations and corporate actions of the Company and/or Group. The RC has reviewed and is satisfied that the performance conditions for Dato' Zamani Bin Kasim and Mr. Yap Koon Loong were satisfied and met for FY2016.

Determining the Remuneration of Independent and/or Non-Executive Directors

In setting remuneration packages of Independent and/or Non-Executive Directors, effort and time spent, and responsibilities of the Independent and/or Non-Executive Directors are taken into account. No retirement benefit schemes are in place for the Independent and/or Non-Executive Directors. No Director decides his own remuneration. Directors' fees are recommended by the RC and are submitted for endorsement by the Board. Directors' fees to be paid to Independent and/or Non-Executive Directors are subject to the approval of shareholders at the AGM.

The Company currently does not have any contractual provisions allowing the Company to reclaim incentives from Executive Directors and key management personnel in exceptional cases of wrong doings. The Board is of the view that as the Group pays management bonus based on the actual performance of the Group and/or Company (and not on forward-looking results) and the actual results that have been delivered by its Executive Director and key management personnel, "clawback" provisions in the service agreements may not be relevant or appropriate.

DISCLOSURE ON REMUNERATION

(A) *Remuneration of Directors*

A breakdown, showing the level and mix of each Director's remuneration for FY2016 is as follows:

Remuneration Band & Name of Director	Directors' fees (%)	Base / Fixed Salary (%)	Variable or Performance Related Income / Bonuses (%)	Benefits in Kind (%)	Share Option (%)	Total (%)
S$250,000 to below S$500,000						
Dato' Zamani Bin Kasim[1]	-	84	16	-	-	100
Below S$250,000						
Mr. Neo Gim Kiong[2]	100	-	-	-	-	100
Mr. Lee Gee Aik[3]	48	52	-	-	-	100
Mr. San Meng Chee[4]	100	-	-	-	-	100
Dato' Wong Sin Just[5]	100	-	-	-	-	100
Dr. Lo Wing Yan, William[6]	100	-	-	-	-	100
Mr. Lam Kin, Lionel[7]	100	-	-	-	-	100

Notes:

1. Dato' Zamani Bin Kasim was appointed an Executive Director and CEO of the Company on 19 November 2015.
2. Mr. Neo Gim Kiong was appointed as Non-Executive Chairman and Independent Director of the Company on 19 November 2015.
3. Mr. Lee Gee Aik was re-designated from Executive Vice Chairman to an Independent Director of the Company on 19 November 2015.
4. Mr. San Meng Chee was appointed as an Independent Director of the Company on 19 November 2015.
5. Dato' Wong Sin Just resigned as a Non-Executive Director of the Company on 19 November 2015.
6. Dr. Lo Wing Yan William, J.P. resigned as the Lead Independent Director of the Company on 19 November 2015.
7. Mr. Lam Kin, Lionel resigned as an Independent Director of the Company on 19 November 2015.

(B) ***Remuneration of Key Management Personnel***

Remuneration Band & Name of Key Management Personnel	Base / Fixed Salary (%)	Variable or Performance Related Income / Bonuses (%)	Benefits in Kind (%)	Share Option (%)	Total (%)
Below S$250,000					
Mr. Yap Koon Loong[1]	84	16	-	-	100
Mr. Lim Yeow Eng[2]	63	37	-	-	100
Mr. Hanafiah Bin Mohd Fadzil[3]	71	29	-	-	100

Note:

1. Mr. Yap Koon Loong was appointed as Finance Director of the Company on 19 November 2015.
2. Mr. Lim Yeow Eng was appointed as Chief Financial Officer of the Company on 19 November 2015 and resigned on 29 February 2016.
3. Mr. Hanafiah Bin Mohd Fadzil was appointed as a Project Director of the Company on 19 November 2015 and resigned on 30 November 2015.

(C) ***Remuneration of Immediate Family Member of Directors or the Chief Executive Officer***

In FY2016, there was no employee who is an immediate family member of the Directors or the CEO and whose remuneration exceeded S$50,000.

The Board, taking into consideration the competitive business environment, decided not to disclose the exact details of the remuneration of each individual Director and key management personnel. The Company is of the view that providing full details of the remuneration of each individual Director and key management personnel is not in the best interests of the Company and may adversely affect talent attraction and retention. The Company has, however, disclosed the remuneration of the Directors and key management personnel in bands of S$250,000.

The Company only had three key management personnel during FY2016. The annual aggregate remuneration paid to the top three key management personnel (who are not Directors or the CEO of the Company) was approximately S$428,000 in FY2016.

Share Option Scheme

The Company had implemented a share option scheme (the "Scheme") on 23 December 2008. Details of the Scheme were set out in the Offer Document of the Company dated 16 January 2009. During FY2016, no share options were granted by the Company.

There were no termination, retirement and post-employment benefits given to Directors, the CEO and the top key management personnel.

ACCOUNTABILITY AND AUDIT

ACCOUNTABILITY

Accountability on Information Provided to Investors

It is the aim of the Board to provide shareholders with a balanced and understandable assessment of the Company's performance, position and prospects. This responsibility extends to the quarterly and full-year financial results announcements, other price-sensitive public reports and reports to regulators (if required).

The Board has taken adequate steps to ensure compliance with legislative and regulatory requirements, including requirements under the Catalist Rules.

Management Accounts and Information Provided to Directors

Management currently provides the Board with management accounts and such explanation and information of the Group's performance and position on quarterly basis, upon request, or as and when deemed necessary.

Prior to the release of quarterly and full year financial results to the public, Management presents the Group's financial performance together with notes explaining in detail the operations and the prospects of the Group's to the AC, who will review and recommend the same to the Board for approval and for the release of the results.

These enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

RISK MANAGEMENT AND INTERNAL CONTROLS

Risk Management and Monitoring

The Board recognises the importance of maintaining a sound system of risk management and internal controls to safeguard shareholders' interests and the assets of the Company and determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Board acknowledges that no cost-effective risk management and internal control system will preclude all errors and irregularities. Any system of internal controls is designed to mitigate rather than eliminate risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss, occurrence of errors, poor judgment in decision-making, fraud or other irregularities.

The Board of Directors and the AC have reviewed the adequacy of the Company's risk management and internal control systems addressing its financial, operational, compliance and information technology risks, relying on reports from the external auditors and internal auditors. Any significant internal control weaknesses and non-compliances that are highlighted during the audit together with recommendations by the external auditors and internal auditors are reported to the AC. The AC will follow up on the actions taken by Management in response to the recommendations made.

Internal Audit

The AC is responsible for the appointment, removal, evaluation and compensation of the accounting or auditing firm or corporation that the internal audit function of the Company is outsourced to.

The Group's internal audit function was outsourced to an independent audit firm, Ernst & Young Advisory Pte Ltd, who reports functionally to the AC. The internal auditors have unfettered access to all the Company's documents, records, properties and personnel, including access to the AC, to effectively discharge its responsibilities.

The internal auditors had during the course of their audit performed tests over operating effectiveness of the internal controls and has highlighted to the Company that there were certain internal control procedures mainly relating to the general control environment, revenues, payables and human resources which need to be strengthened. Management has confirmed to the Company that they have taken note of the recommendations of the internal auditors and action plans to address these observations have been put in place. Management will be providing quarterly updates to the AC on the implementation progress.

The AC assesses the adequacy and effectiveness of the internal audit function annually. The AC is satisfied that the internal audit function is adequately qualified (given, *inter alia*, its adherence to standards set by internationally recognised professional bodies) and resourced and has the appropriate standing within the Group.

Assurance from the CEO and Finance Director

The Board has received assurance from the CEO and Finance Director that:

(i) the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

(ii) the Company's risk management and internal control systems are effective and have discussed with the Company's external and internal auditors of their reporting points and note that there have been no significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise or report financial data.

The Board and the AC's Assessment on the Adequacy and Effectiveness of Internal Controls

Based on the internal controls established and maintained by the Group, reviews performed by Management and the Board Committees, the work performed by the internal auditors and external auditors, and taking into consideration the abovementioned internal control procedures which were recommended by the internal auditors to be further strengthened as well as the action plans which have been put in place by Management in relation thereto, the Board with the concurrence of the AC, is of the opinion that the risk management and internal control systems of the Group are adequate and effective to address the financial, operational, compliance and information technology risks as of 30 June 2016.

The Board of Directors (the "Board") of Astaka Holdings Limited (the "Company" and together with its subsidiaries, the "Group") are committed to maintaining high standards of corporate governance and places importance on its corporate governance processes and systems so as to ensure greater transparency, accountability and maximisation of long-term shareholder value.

AUDIT COMMITTEE

Composition of the Audit Committee

The AC was established with written terms of reference, setting out the role and authority delegated to it by the Board.

The Audit Committee comprises three (3) independent Directors namely, Mr. Lee Gee Aik, Mr. Neo Gim Kiong and Mr. San Meng Chee. All members of the AC are independent. The AC is chaired by Mr. Lee Gee Aik, who has relevant experience sitting on the audit committees of other SGX-ST listed companies.

All AC members have many years' experience in senior management positions in commercial, financial and industrial sectors. The Board is of the view that the AC members, having relevant accounting and relevant financial management expertise and experience, are appropriately qualified to discharge their responsibilities.

Authorities and Roles and Responsibilities of the Audit Committee

The Board recognises the importance of good corporate governance and the offering of a high standard of accountability to the Shareholders. The AC is authorised by the Board to investigate all matters within its term of reference. The AC has full access to, and the co-operation of Management, as well as full discretion to invite any Director to attend its meetings, and is provided with reasonable resources for it to discharge its functions properly.

The AC carries out its duties in accordance with the written terms of reference of the AC, which include:

(i) review with the external auditors, the scope and results of the external audit, evaluation of the accounting controls, audit reports and any matters which the external auditors wish to discuss;

(ii) review with the internal auditors, their audit plan and reports, the adequacy of the internal audit procedures and their evaluation of the adequacy and effectiveness of the overall internal control systems, including financial, operational, compliance and informational technology controls and risk management systems;

(iii) review and report to the Board at least annually the adequacy and effectiveness of the Group's internal controls, which addresses the Group's financial, operational, compliance and information technology risks and risk management systems, and any other matters requiring the Board's attention;

(iv) evaluate the Group's system of internal controls with the internal auditors and assess the effectiveness and adequacy of internal accounting and financial control procedures;

(v) review the Company's whistle-blowing policy and to ensure that arrangements are in place for concerns about possible improprieties in financial reporting or other matters to be raised and investigated, and for appropriate follow-up action to be taken;

(vi) conduct annual reviews of the cost effectiveness of the audit, the independence and objectivity of the external auditors, including the volume of non-audit services provided by the external auditors, to satisfy itself that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors before recommending their re-appointment to the Board;

(vii) make recommendations to the Board on proposals to shareholders on the appointment, re-appointment, resignation and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;

(viii) review interested person transactions and to report its findings to the Board; and

(ix) review the quarterly and full-year financial statements of the Company and the Group prior to submission to the Board for approval and the dissemination of the results announcements to shareholders and SGX-ST.

The AC met with the internal auditors and external auditors without the presence of Management in respect of the FY2016 audit to review matters that might be raised privately and also review the independence of the external auditor annually.

The Company confirms that it complies with Rules 712 and 715 of the Catalist Rules in engaging PricewaterhouseCoopers LLP, an auditing firm registered with the Accounting and Corporate Regulatory Authority, as the external auditors of the Company and its significant subsidiaries for consolidation purposes.

The AC has reviewed the fees for the non-audit services provided to the Company by the external auditors (see details on page 55 of this annual report) in relation to its role as the reporting accountants in relation to the RTO, goods and services tax ("GST") advisory work and agreed upon procedures ("AUP") for the financial results announcements and is satisfied that the independence and objectivity of the external auditors have not been prejudiced as the substantial amount of non-audit fees paid in FY2016 was primarily for the RTO and are not expected to be recurring. The AC has recommended to the Board the reappointment of PricewaterhouseCoopers LLP as external auditors of the Company at the forthcoming AGM.

During FY2016, the AC reviewed the quarterly and full-year financial statements prior to submission to the Board for approval; the annual audit plan of the external auditor and the results of the audit performed by them; interested person transactions (if any); effectiveness and adequacy of the Company's risk management and internal controls systems; audit and non-audit services rendered by the external auditors and the re-appointment of external auditors and their remuneration. The AC members had been briefed by the external auditors, PricewaterhouseCoopers LLP, on any changes to accounting standards and issues which have a direct impact on financial statements as part of their audit.

A record of the AC members' attendance at the AC meetings during FY2016 is set out on page 37 of this annual report.

Whistle-blowing Policy

The Company is committed to a high standard of ethical conduct and adopts a zero tolerance approach to fraud. The Company undertakes to investigate complaints of suspected fraud in an objective and independent manner, and has put in place a whistle-blowing policy which provides employees and any other person with well-defined and accessible channels, including direct access to the Chairman of the AC or Company Secretary, to raise concerns about possible irregularities in matters of financial reporting or other matters in confidence (the "Whistle-blowing Policy"). The Whistle-blowing Policy permits whistleblowers to report directly via the following:-

(i) by email to either the Chairman of AC (lga@galee.com.sg) or the Company Secretary (lisa.cheng@tmf-group.com); and
(ii) by surface mail for the attention of the Chairman of the AC or the Company Secretary at the following address: 38 Beach Road, #29-11 South Beach Tower, Singapore 189767

The Whistle-blowing Policy is intended to encourage the reporting of such matters in good faith, with confidence that employees and any other person making such reports will be treated fairly and, as far as possible, be protected from possible reprisal. The AC is in charge of overseeing the function and handling of matters being reported through the whistle-blowing system.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Shareholder Rights

The Company recognises the importance of treating all shareholders fairly and equitably, as well as the responsibility to facilitate the exercise of shareholders' rights. All registered shareholders are given the opportunity to participate in and vote at general meetings. Shareholders are informed of shareholders' meetings through notices published in major newspaper(s) and via the SGXNet. Notices of general meetings are issued with the annual report or relevant circulars and sent to shareholders within the prescribed time frame.

Communication with Shareholders

The Company adopts an open and non-discriminatory communication program to promote regular, effective and fair communication with shareholders.

The Company has engaged the services of a public and investor relations firm and communicates with its investors on a regular basis.

The Company is committed to keeping shareholders apprised of the Company's performance and prospects. In line with its continuous disclosure obligations pursuant to the Catalist Rules, the Board's policy is that all shareholders should be informed of all major developments that impact the Company on an equitable and timely basis. Such information will be disseminated through SGXNet.

Financial results of the Group are announced in a timely manner. The results announcements contain detailed disclosures as required by the SGX-ST and voluntary disclosures are made as and when appropriate to enhance the level of transparency to shareholders.

The Company does not have a fixed dividend policy. The Board will consider various factors, such as the Company's and/or Group's earnings, general financial position, capital expenditure requirements, cash flow, general business environment, development plans and other factors that may be deemed appropriate, to determine whether dividends would be paid for the financial year.

The Board has not declared or recommended any dividend for FY2016 as the Company was not profitable for FY2016.

CONDUCT OF SHAREHOLDER MEETINGS

Shareholders' Participation and Proxies

The AGM is a principal forum for dialogue and interaction with all shareholders. The Company's forthcoming AGM will be held on 26 October 2016, notice of which is set out on pages 114-117 of this annual report. The Company encourages active participation from the shareholders at its AGMs. To facilitate voting by the shareholders, the Regulations allow the shareholders to vote by proxies. Proxy forms can be sent to the Company by mail. Each distinct issue will be tabled for shareholders' approval via separate resolutions at AGMs. The Chairmen of the AC, the RC and the NC as well as the external auditors will be present and available to assist the Board in addressing any queries from the shareholders.

Voting in absentia, by mail, facsimile or electronic email is also allowed.

Minutes of Annual General Meetings

The Company Secretary prepares minutes of general meetings which are available to shareholders upon request.

Voting

All resolutions are to put to vote by poll, and the results of the AGM will be announced via SGXNet after the conclusion of the general meeting.

INTERESTED PERSON TRANSACTIONS (“IPTs”)

The Company adopts a set of procedures governing all IPTs to ensure that they are carried out on arm’s length basis, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. The AC reviews the rational and terms of the Group’s IPTs to ensure that they are on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. When a potential conflict of interest occurs, the Director concerned will be excluded from discussions and refrain from exercising any influence over other members of the Board.

The Company does not have a general mandate from its shareholders for recurring interested person transactions. There were no interested person transactions of S$100,000 or more entered into during the financial year under review.

DEALING IN SECURITIES

In line with Rule 1204(19) of the Catalist Rules, the Company has adopted an internal code of best practice with respect to dealing in securities by the Company, the Directors and its officers. The Company, the Directors, Management and officers of the Company who have access to price-sensitive, financial or confidential information are not permitted to deal in the Company’s shares during the period commencing two (2) weeks before the announcement of the Company’s quarterly financial results and one (1) month before the announcement of the Company’s full-year financial results and ending on the date of the announcement of the relevant financial results, or when they are in possession of unpublished price-sensitive information of the Company. In addition, the Company, the Directors and its officers are expected to observe insider trading laws at all times even when dealing in securities within permitted trading periods. The Directors and officers of the Company should not deal in the Company’s shares on short-term considerations.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company or its subsidiaries that involved the interests of the Directors, CEO or controlling Shareholders which are still subsisting as at the end of FY2016, or if not then subsisting, entered into since the end of the previous financial year.

NON-SPONSOR FEES

The Company paid S$2.08 million of non-sponsor fees for advisory services in relation to the RTO to the Company’s sponsor, PrimePartners Corporate Finance Pte Ltd, in FY2016.

AUDIT AND NON-AUDIT FEES

The aggregate amount of fees paid by the Company to the external auditors, PricewaterhouseCoopers LLP, amounted to SGD50,000 for audit services and SGD486,000 for non-audit services for its role as the reporting accountants and internal auditor in relation to the RTO, GST advisory work and AUP for the financial results announcements. The nature of these non-audit services rendered to the Company and their related fees for FY2016 are as follows:

	S$'000	%
Audit Fees	50	9
Non-Audit Fees: -		
Reporting accountants and internal auditor in connection with the RTO, GST advisory work and AUP for the financial results announcements	486	91
Total	**536**	**100**

Having reviewed all non-audit services provided by the external auditors, the AC is satisfied that the nature and extent of such services would not affect the independence and objectivity of the external auditors for reasons as aforementioned.

UPDATE ON THE USE OF COMPLIANCE PLACEMENT PROCEEDS

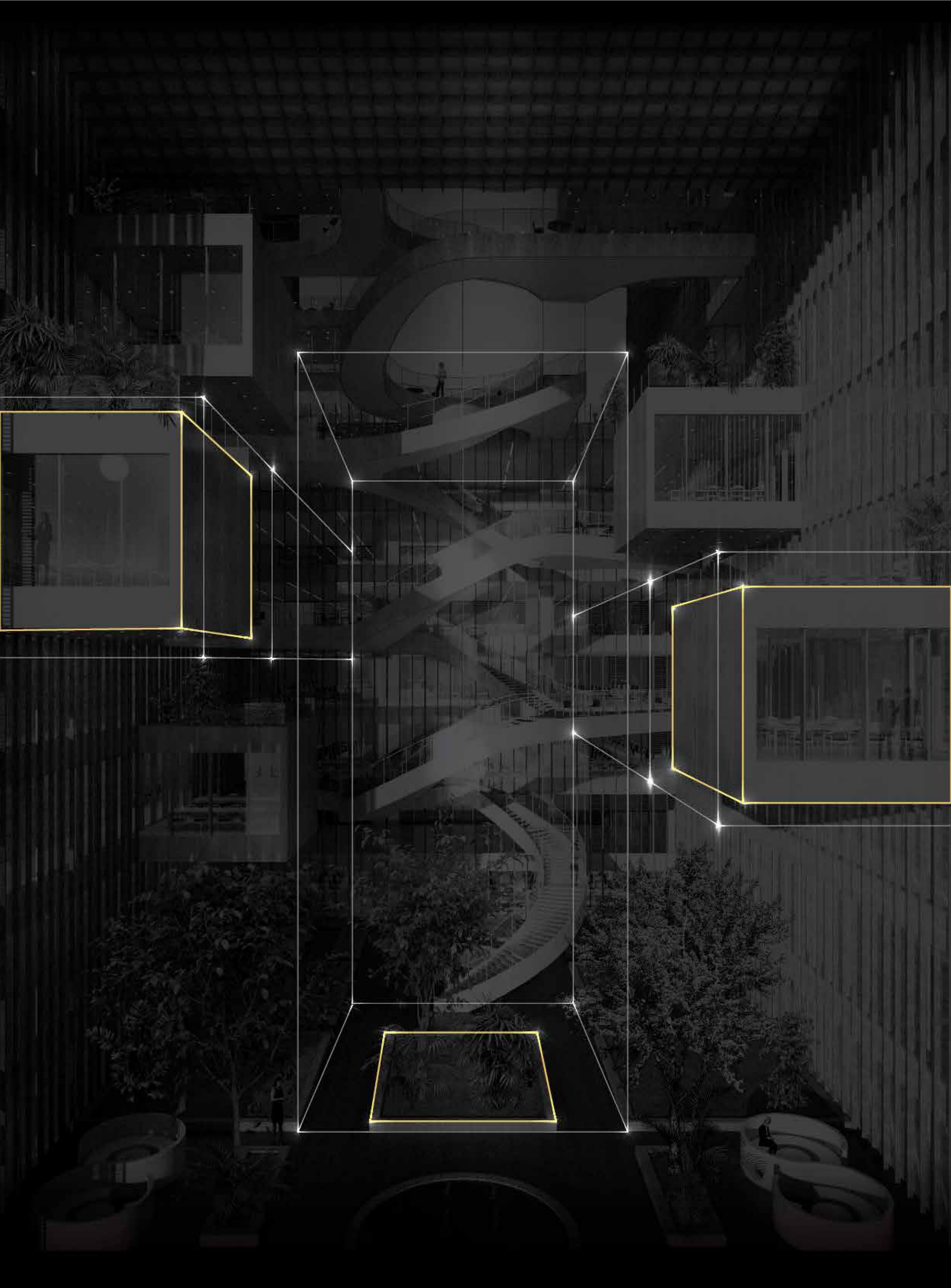
As at the date of this annual report, the compliance placement proceeds have been utilised as follows:

	Revised Amount Allocated	Amount Utilised	Balance
	S$'000	S$'000	S$'000
Repayment of amounts due to interested person	9,070	-	9,070
Repayment of bank facilities	1,653	1,653	-
Repayment of amount due to Malpakat	6,088	6,088	-
General working capital of the Group	19,849	19,849 (1)	-
Total	**36,660**	**27,590**	**9,070**

Notes:

1. Amounts utilised for general working capital consists of payments to contractors, consultants and professionals of S$12.91 million in respect of the development of phase 1 of the two plots of land located in the Iskandar region of Johor, Malaysia, operating costs of S$0.44 million, staff salaries and related expenses of S$0.42 million as well as repayment of a bridging loan of S$6.08 million used for payment to main contractors for progressive works carried out for phase 1 of The Astaka @ One Bukit Senyum.

The Company will make periodic announcements as and when the proceeds from the compliance placement are materially disbursed and provide a status report on such use in its annual report and its interim and full-year financial statements. Pending the deployment of the proceeds as aforesaid, the funds will be placed in short-term deposits with financial institutions and/or used to invest in short-term money market instruments.



FINANCIAL CONTENTS

DIRECTORS' STATEMENT

For the financial year ended 30 June 2016

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 30 June 2016 and the balance sheet of the Company as at 30 June 2016.

In the opinion of the directors,

(a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 61 to 108 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 30 June 2016 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Mr. Neo Gim Kiong	(Appointed on 19 November 2015)
Dato' Zamani Bin Kasim	(Appointed on 19 November 2015)
Mr. Lee Gee Aik	
Mr. San Meng Chee	(Appointed on 19 November 2015)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the 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.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations.

Share options

No options were granted during the financial year to subscribe for unissued shares of the Company or its related corporations.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its related corporations.

There were no unissued shares of the Company or its related corporations under option at the end of the financial year.

Audit Committee

The members of the Audit Committee at the end of the financial year were as follows:

Mr. Lee Gee Aik (*Chairman*)
Mr. Neo Gim Kiong
Mr. San Meng Chee

All members of the Audit Committee were independent non-executive directors of the Company.

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 30 June 2016 before their submission to the Board of Directors.

The Audit Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent Auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Dato' Zamani Bin Kasim
Director

Mr. Neo Gim Kiong
Director

4 October 2016

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASTAKA HOLDINGS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Astaka Holdings Limited (formerly known as "E2-Capital Holdings Limited") (the "Company") and its subsidiaries (the "Group") set out on pages 61 to 108, which comprise the consolidated balance sheet of the Group and balance sheet of the Company as at 30 June 2016, the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. 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 the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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 management, 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 consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2016, and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date.

Other matters

As described in Note 2 to the accompanying financial statements, the 2015 comparatives to the consolidated financial statements are that of Astaka Padu Limited and its subsidiary. These comparatives are unaudited.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company, have been properly kept in accordance with the provisions of the Act.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 4 October 2016

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2016

	Note	2016 RM	2015 RM (unaudited)
Revenue	5	-	208,334
Cost of sales	8	-	(3,481)
Gross profit		-	204,853
Other income	6	**494,385**	662,794
Other losses	7	**(2,648,289)**	(374,293)
Expenses			
Selling and distribution	8	**(729,458)**	(763,970)
Administrative	8	**(8,983,013)**	(11,715,465)
Finance	10	**(7,470)**	(6,848)
Others	8	**(99,617,407)**	(4,656,580)
Loss before income tax		**(111,491,252)**	(16,649,509)
Income tax credit	11(a)	**516,614**	1,709,601
Loss after tax and total comprehensive loss for the financial year		**(110,974,638)**	(14,939,908)
Loss and total comprehensive loss attributable to:			
Equity holders of the Company		**(110,973,894)**	(14,939,908)
Non-controlling interests		**(744)**	-
		(110,974,638)	(14,939,908)
Loss per share for loss attributable to equity holders of the Company (RM cents per share)			
Basic and diluted loss per share	12	**(6.33)**	(0.95)

The accompanying notes form an integral part of these financial statements.

BALANCE SHEET – GROUP

As at 30 June 2016

	Note	2016 RM	2015 RM (unaudited)
ASSETS			
Current assets			
Development properties	13	**483,811,083**	300,182,207
Trade and other receivables	14	**66,904,610**	71,001,064
Cash and cash equivalents	15	**50,308,184**	3,158,492
		601,023,877	374,341,763
Non-current assets			
Property, plant and equipment	16	**3,137,320**	1,323,730
Investment properties	17	**-**	-
		3,137,320	1,323,730
Total assets		**604,161,197**	375,665,493
LIABILITIES			
Current liabilities			
Trade and other payables	20	**287,164,017**	210,330,037
Current tax liabilities	11(b)	**4,545,485**	22,117
Amount due to related parties	19	**28,510,194**	21,534,068
Borrowings	21	**55,821,508**	62,994,185
Hire purchase liabilities	22	**81,012**	60,007
		376,122,216	294,940,414
Non-current liabilities			
Borrowings	21	**87,733,634**	52,925,033
Hire purchase liabilities	22	**203,355**	179,365
Deferred tax liabilities	23	**2,734,955**	7,897,027
		90,671,944	61,001,425
Total liabilities		**466,794,160**	355,941,839
NET ASSETS		**137,367,037**	19,723,654
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	24	**259,383,777**	30,769,111
Merger reserve		**(10,769,090)**	(10,769,090)
Accumulated losses		**(111,250,261)**	(276,367)
		137,364,426	19,723,654
Non-controlling interests		**2,611**	-
Total equity		**137,367,037**	19,723,654

The accompanying notes form an integral part of these financial statements.

BALANCE SHEET – COMPANY

As at 30 June 2016

	Note	Company 2016 RM	Company 2015 RM	Company 2014 RM
ASSETS				
Current assets				
Trade and other receivables	14	**214,427**	6,537,659	143,139
Amount due from related parties	19	**92,512,701**	-	-
Cash and cash equivalents	15	**32,788,438**	12,717,669	98,147,172
		125,515,566	19,255,328	98,290,311
Non-current assets				
Investment in subsidiaries	18	**1,229,000,000**	-	-
Total assets		**1,354,515,566**	19,255,328	98,290,311
LIABILITIES				
Current liabilities				
Trade and other payables	20	**521,076**	3,618,845	1,314,458
Amount due to related parties	19	**2,966,410**	-	-
Current tax liabilities	11(b)	**-**	-	4,689,340
Total liabilities		**3,487,486**	3,618,845	6,003,798
NET ASSETS		**1,351,028,080**	15,636,483	92,286,513
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	24	**1,455,078,944**	4,899,747	96,018,943
Capital reserve	25	**1,419,389**	1,054,451	1,054,451
Currency translation reserve	25	**-**	14,745,033	(1,096,690)
Accumulated losses	26	**(105,470,253)**	(5,062,748)	(3,690,191)
Total equity		**1,351,028,080**	15,636,483	92,286,513

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2016

	Note	Share capital	Capital reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		← Attributable to equity holders of the Company			→		
		RM	RM	RM	RM	RM	RM
The Group							
30 June 2016							
Beginning of financial year		**30,769,111**	**(10,769,090)**	**(276,367)**	**19,723,654**	**-**	**19,723,654**
Loss for the year		-	-	(110,973,894)	(110,973,894)	(744)	(110,974,638)
Issue of placement shares	24	130,620,410	-	-	130,620,410	-	130,620,410
Share issue expenses	24	(2,788,402)	-	-	(2,788,402)	-	(2,788,402)
Shares issued for Reverse Acquisition	24	73,421,319	-	-	73,421,319	3,355	73,424,674
Shares issued to Arranger	24	27,361,339	-	-	27,361,339	-	27,361,339
Total transactions with owners, recognised directly in equity		**228,614,666**	**-**	**-**	**228,614,666**	**3,355**	**228,618,021**
End of financial year		**259,383,777**	**(10,769,090)**	**(111,250,261)**	**137,364,426**	**2,611**	**137,367,037**

	Note	Share capital	Capital reserve	Accumulated losses	Total	Non-controlling interests	Total equity
The Group							
30 June 2015 (unaudited)							
Beginning of financial year		**20,000,000**	**-**	**14,663,541**	**34,663,541**	**-**	**34,663,541**
Loss for the year		-	-	(14,939,908)	(14,939,908)	-	(14,939,908)
Issue of new shares	24	21	-	-	21	-	21
Share swap pursuant to capital reorganisation	24	(20,000,000)	-	-	(20,000,000)	-	(20,000,000)
Issue of shares pursuant to the capital reorganisation	24	30,769,090	(10,769,090)	-	20,000,000	-	20,000,000
Total transactions with owners, recognised directly in equity		**10,769,111**	**(10,769,090)**	**-**	**21**	**-**	**21**
End of financial year		**30,769,111**	**(10,769,090)**	**(276,367)**	**19,723,654**	**-**	**19,723,654**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2016

	Note	2016 RM	2015 RM
Cash flows from operating activities			
Loss for the financial year		**(110,974,638)**	(14,939,908)
Adjustments for:			
Income tax credit		**(516,614)**	(1,709,601)
Depreciation of property, plant and equipment		**1,131,795**	5,018,185
Property, plant and equipment written off		**128**	-
Depreciation on investment property		**-**	3,481
Gain on disposal of investment properties		**-**	(86,986)
Acquisition costs arising from Reverse Acquisition	8	**63,624,699**	-
Shares issued to Arranger	8	**27,361,339**	-
Interest expense		**7,470**	6,848
Interest income		**(395,969)**	(279,282)
Unrealised currency translation loss/(gain)		**1,898,919**	(11,019)
		(17,862,871)	(11,998,282)
Change in working capital:			
Development properties		**(175,182,950)**	(109,643,603)
Trade and other receivables		**11,888,393**	(36,329,685)
Trade and other payables		**69,814,993**	77,317,076
Amounts due to related parties		**3,976,126**	4,088,914
Amounts due to a shareholder		**3,000,000**	8,783,998
Cash used in operations		**(104,366,309)**	(67,781,582)
Income tax paid		**(122,090)**	(4,125)
Net cash flow used in operating activities		**(104,488,399)**	(67,785,707)
Cash flows from investing activities			
Additions to property, plant and equipment		**(2,840,511)**	(1,003,034)
Proceeds from disposal of investment properties		**-**	590,003
Interest received		**395,969**	279,282
Net cash received from reverse acquisition	31	**9,027,023**	-
Net cash flow generated from/(used in) investing activities		**6,582,481**	(133,749)
Cash flows from financing activities			
Proceeds from issuance of shares	24	**130,620,410**	21
Share issue expenses	24	**(2,788,402)**	-
Proceeds from draw down of term loans		**90,992,106**	109,401,999
Repayment of term loans		**(67,960,913)**	(47,448,984)
Repayment of hire purchase liabilities		**(60,007)**	(60,628)
Interest paid		**(8,453,396)**	(5,626,253)
Net cash flow generated from financing activities		**142,349,798**	56,266,155

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 30 June 2016

	Note	2016 RM	2015 RM
Net increase / (decrease) in cash and cash equivalents			
Cash and cash equivalents		**44,443,880**	(11,653,301)
Beginning of financial year		(8,209,104)	3,433,178
Effects of currency translation on cash and cash equivalents		(1,898,919)	11,019
End of financial year	15	**34,335,857**	(8,209,104)

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Astaka Holdings Limited (formerly known as "E2-Capital Holdings Limited") (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 38 Beach Road, #29-11 South Beach Tower, Singapore 189767.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are disclosed in Note 18 to the financial statements.

2. Reverse acquisition undertaken by the Company

On 19 November 2015, the Company completed its acquisition of 99.99% of the share capital of Astaka Padu Limited and its subsidiary (collectively, "the Astaka Group") ("Reverse Acquisition") via the issuance of 1,567,749,160 new ordinary shares in the Company to the shareholders of the Astaka Group.

On the same day, the participation in Astaka Padu Limited by the Company took the form of Astaka Padu Limited issuing 4,199,850 ordinary shares to the Company for an aggregate subscription price of S$1,000,000 (RM3,049,200), such that the Company holds 99.99% of Astaka Padu Limited.

The Reverse Acquisition is a reverse takeover of the Company as the shareholders of the Astaka Group became the controlling shareholders of the Company on completion of the transaction. Accordingly, the Astaka Group (being the legal subsidiaries in the transaction) is regarded as the accounting acquirer, and the Company (being the legal parent in the transaction) is regarded as the accounting acquiree. In addition, the consolidated financial statements represent a continuation of the financial position, performance and cashflows of the Astaka Group. Accordingly, the consolidated financial statements are prepared on the following basis:

(a) the assets and liabilities of the Astaka Group are recognised and measured in the balance sheet of the Group at their pre-acquisition carrying amounts;

(b) the assets and liabilities of the Company are recognised and measured in the consolidated balance sheet at their acquisition-date fair values;

(c) the accumulated profits and other equity balances recognised in the consolidated financial statements are the accumulated profits and other equity balances of the Astaka Group immediately before the reverse acquisition;

(d) the amount recognised as issued equity interests in the consolidated financial statements is determined by adding to the issued equity of the Astaka Group immediately before the reverse acquisition. However, the equity structure appearing in the consolidated financial statements (i.e. the number and type of equity instruments issues) reflect the equity structure of the legal parent (i.e. the Company), including the equity instruments issued by the Company to effect the reverse acquisition;

2. Reverse acquisition undertaken by the Company (continued)

(e) the consolidated statement of comprehensive income for the financial year ended 30 June 2016 reflects the full year results of the Astaka Group together with the post-acquisition results of the Company; and

(f) the comparative figures presented in these consolidated financial statements are those of the Astaka Group.

The consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity of the Group for the year ended 30 June 2016 refers to the Group which includes the results of the Astaka Group from 1 July 2015 to 30 June 2016 and the post-acquisition results of the Company from reverse acquisition date to 30 June 2016. The consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity of the Group for the year ended 30 June 2015 refer to the results of the Astaka Group from 1 July 2014 to 30 June 2015.

The consolidated balance sheet of the Group as at 30 June 2016 refers to the consolidated balance sheets of the Astaka Group and the Company as at 30 June 2016. The consolidated balance sheet of the Group as at 30 June 2015 refers to the consolidated balance sheet of the Astaka Group.

Separate financial statements of the Company

The above accounting applies only at the consolidated financial statements. In the Company's separate financial statements, investments in the legal subsidiaries (the Astaka Group) is accounted for at cost less accumulated impairment losses, if any, in the Company's balance sheet. The initial cost of the investment in the Astaka Group is based on the fair value of the ordinary shares issued by the Company as at the acquisition date.

The balance sheet of the Company as at 30 June 2016 and 2015 refers to the balance sheet of the Company.

Further details on accounting of the reverse acquisition are provided in Note 31.

3. Significant accounting policies

3.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in Note 2 and the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgment in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

3. Significant accounting policies (continued)

3.1 Basis of preparation (continued)

Interpretations and amendments to published standards effective in 2016

On 1 July 2015, the Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the current or prior financial years.

3.2 Revenue recognition

Sales comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Sales are presented, net of goods and services tax, rebates and discounts, and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) *Rental of properties*
Rental income from operating leases (net of incentives given to the lessees) is recognised on a straight-line basis over the lease term.

(b) *Interest Income*
Interest income on bank deposits is recognised using the effective interest method.

(c) *Revenue from sale of development properties*
Revenue and cost from development properties that have been sold are recognised when the construction of the development properties is completed and the risks and rewards of ownership have been transferred to the buyer through either the transfer of legal title or on equitable interest in a property.

See further in Note 3.6.

3.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income. Government grants relating to assets are deducted against the carrying amount of the assets.

Government grants relating to assets are deducted against the carrying amount of the assets.

3. Significant accounting policies (continued)

3.4 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if these results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

3. Significant accounting policies (continued)

3.4 Group accounting (continued)

(a) Subsidiaries (continued)

(ii) Acquisitions (continued)

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

3.5 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs (refer to Note 3.15 on borrowing costs).

3. Significant accounting policies (continued)

3.5 Property, plant and equipment (continued)

(b) Depreciation

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Show units and sales gallery	2 years
Renovations	2 years
Computers	2.5 years
Equipment and fittings	2 - 10 years
Motor vehicles	5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other losses".

3.6 Development properties

Development properties are stated at the lower of development cost and net realisable value. When it is probable that the total development properties will exceed the total revenue, the expected loss is recognised in full as an expense immediately.

Proceeds received in advance on sale and purchase agreements entered into prior to completion of construction are recognised as "Progress billings in respect of development properties" under trade and other payables, and will be recognised as revenue from sale of development properties upon delivery of the properties to the buyers.

Development properties comprise cost of inventories of land and all costs directly attributable to development activities or that can be allocated on a reasonable basis to those activities. It includes borrowing costs related to the financing of development activities of the lease, related development properties common to the development project and direct construction costs. Borrowing costs are included in the development properties until the completion of the development projects.

See further in Note 3.9.

3. Significant accounting policies (continued)

3.7 Investment properties

Investment properties, comprising principally land and buildings, are held for long-term rental yields or for capital appreciation or both, and are not occupied by the Group.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs if the investment property meets the definition of qualifying asset.

After initial recognition, leasehold land is stated at cost. Other investment properties are stated at cost less accumulated depreciation and impairment losses. Depreciation for other investment properties is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives of 85 years. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are included in profit or loss when the changes arise.

Subsequent expenditure relating to the investment properties that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

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

At each balance sheet date, the Group assess whether there is any indication of impairment. If such an indication exists, an asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. See significant accounting policies Note 3.11 on impairment of non-financial assets.

3.8 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "trade and other receivables" (Note 14), "amount due from related parties" (Note 19) and "cash and cash equivalents" (Note 15).

(a) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Loans and receivables are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

3. Significant accounting policies (continued)

3.8 Loans and receivables (continued)

(b) *Initial measurement*

Loans and receivables are initially recognised at fair value plus transaction costs.

(c) *Subsequent measurement*

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

3.9 Customer contract acquisition costs

Costs incurred to secure a sale contract of development properties are capitalised as an asset provided that these costs can be separately identified, reliably measured and it is probable that the contract can be obtained. Cost capitalised is recognised in profit or loss consistent with the transfer of goods or services to the customer.

3.10 Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

3.11 Impairment of non-financial assets

Property, plant and equipment, investment properties and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

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

An impairment loss for these assets 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 these assets is recognised in profit or loss.

3. **Significant accounting policies** (continued)

3.12 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

3.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

3.14 Leases

(a) When the Group is the lessee:

The Group leases motor vehicles under finance lease and office space and office equipment under operating leases.

(i) Lessee - Finance leases

Leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the balance sheet as plant and equipment and borrowings respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

(ii) Lessee - Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

3. **Significant accounting policies** (continued)

3.14 **Leases** (continued)

(b) When the Group is the lessor:

(i) Lessor - Operating leases

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

3.15 **Borrowing costs**

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

3.16 **Income taxes**

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

3. Significant accounting policies (continued)

3.16 Income taxes (continued)

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

3.17 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the functional currency of the Company with effect from 19 November 2015.

Prior to 19 November 2015, the Company's functional and presentation currency is the Hong Kong Dollar ("HKD")(see Note 33).

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

3. Significant accounting policies (continued)

3.18 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

3.19 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

3.20 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

3.21 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

3.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

4. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Uncertain tax positions

The Group is subject to income taxes in Singapore and Malaysia. The Group operates in jurisdictions where legislative applications can give rise to uncertain tax positions. Management believes that the current tax positions taken by the Group are appropriate and supportable by expert advice where relevant.

In determining the income tax liabilities, management is required to estimate the amount of capital allowances, deductibility of certain expenses and the taxability of certain income ("uncertain tax positions") at each jurisdiction.

The Group recognises liabilities for tax based on estimates of assessment of the tax liability due. Total tax liabilities of the Group (including current and deferred) amounted to RM7,280,440 (30 June 2015: RM7,919,144). Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax liabilities and deferred tax provisions, in the year in which such determination is made.

(b) Impairment of investment in subsidiaries

The Company assesses at each balance sheet date whether there is objective evidence that the investment in subsidiaries is impaired and recognises an impairment charge when such evidence exists.

The cost of investment in subsidiaries amounting to RM1,311,074,539 held by the Company as at 30 June 2016 represents the fair value of consideration paid by the Company to acquire the Astaka Group. The carrying amount of investment in subsidiaries was RM1,229,000,000 as at 30 June 2016 after recognising an impairment loss of investment in subsidiaries amounting to RM82,074,539 (30 June 2015: RM Nil) in respect of the Company's investment in the Astaka Group (Note 18).

Management is of the view that the recoverable amount of the investment in subsidiaries for the impairment assessment is the fair value of the development projects undertaken by the Astaka Group using the market comparison approach. Sales price of comparable properties under the development projects in close proximity are adjusted for differences in key attributes such as property size.

The impairment on the value of the investment was due to the depreciation of RM against the Singapore Dollar ("SGD") subsequent to the Reverse Acquisition. The consideration paid by the Company to acquire the Astaka Group via the issuance of shares in the Company was denominated in SGD.

Management is of the view that the allowance for impairment loss recorded is adequate and no further impairment is required for the investment in subsidiaries as at 30 June 2016.

4. **Critical accounting estimates, assumptions and judgements** (continued)

(c) Valuation of development properties

The Group assesses whether an allowance for foreseeable losses of development properties is required by taking into account the Group's recent experience in estimating the net realisable value of sold and unsold development properties. The determination of the estimated net realisable value of these development properties is critically dependent upon the Group's expectations of future selling prices. The estimated selling prices are based on the recent selling prices of the development properties and comparable properties in the prevailing property market conditions. The estimated total development costs are based on the contracted amounts and in respect of amounts not contracted for, management has relied on past experience and the work of specialists in making this estimate.

The carrying amounts of development properties under development are disclosed in Note 13 to the financial statements.

5. Revenue

	Group	
	2016	2015
	RM	RM
		(unaudited)
Rental of properties	**-**	208,334

6. Other income

	Group	
	2016	2015
	RM	RM
		(unaudited)
Interest income	**395,969**	279,282
Forfeiture of booking fee	**12,500**	277,200
Government grants	**13,991**	-
Others	**71,925**	106,312
	494,385	662,794

7. Other losses

	Group	
	2016	2015
	RM	RM
		(unaudited)
Currency translation losses	**(2,648,289)**	(461,279)
Gain on disposal of investment properties	**-**	86,986
	(2,648,289)	(374,293)

8. Expenses by nature

	Group	
	2016	2015
	RM	RM
		(unaudited)
Employee compensation (including directors' fees) (Note 9)	**4,499,853**	3,465,936
Depreciation of property, plant and equipment	**1,131,795**	5,018,185
Depreciation of investment properties	**-**	3,481
Rental on operating leases	**173,148**	47,672
Advertising expenses	**723,056**	601,879
Travelling expenses	**411,498**	311,898
Utilities	**235,502**	210,971
Repair and maintenance	**405,339**	314,734
Donations	**591,602**	394,635
Penalty	**327,015**	2,336
Legal and professional fees	**347,946**	1,035,243
Professional fees in connection with the Reverse Acquisition	**7,712,978**	4,255,610
Shares issued to Arranger (Note 31)	**27,361,339**	-
Acquisition costs arising from Reverse Acquisition (Note 31)	**63,624,699**	-
Others	**1,784,108**	1,476,916
Total cost of sales, selling and distribution expenses, administrative expenses and other expenses	**109,329,878**	17,139,496

9. Employee compensation (including directors' fees)

	Group	
	2016	2015
	RM	RM
		(unaudited)
Wages and salaries (including directors' fees)	**4,165,161**	3,243,839
Employer's contribution to defined contribution plans including Central Provident Fund	**260,822**	182,035
Other benefits	**73,870**	40,062
	4,499,853	3,465,936

10. Finance expenses

	Group	
	2016	2015
	RM	RM
		(unaudited)
Interest expense:		
Bank borrowings	**8,445,926**	5,619,405
Hire purchase liabilities	**7,470**	6,848
	8,453,396	5,626,253
Less:		
Capitalised in development properties (Note 13)	**(8,445,926)**	(5,619,405)
	7,470	6,848

11. Income taxes

(a) Income tax credit

	Group	
	2016	2015
	RM	RM
		(unaudited)
Taxes attributable to loss is made up of:		
Loss for the financial year:		
Current income tax		
- Foreign	**4,523,554**	-
Deferred income tax (Note 23)	**(5,558,112)**	(2,425,991)
	(1,034,558)	(2,425,991)
Under provision in prior financial years:		
- Current income tax	**121,904**	-
- Deferred income tax (Note 23)	**396,040**	716,390
	517,944	716,390
	(516,614)	(1,709,601)

11. Income taxes (continued)

(a) Income tax credit (continued)

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax due to the following:

	Group	
	2016	2015
	RM	RM
		(unaudited)
Loss before income tax	**(111,491,252)**	(16,649,509)
Tax calculated at tax rate of 17% (2015: 17%)	**(18,953,513)**	(2,830,417)
Effects of:		
Different tax rates in other countries	**(508,018)**	(1,301,831)
Expenses not deductible for tax purposes	**18,426,973**	1,706,257
Under provision in prior years	**517,944**	716,390
	(516,614)	(1,709,601)

(b) Movement in current income tax liabilities

	Group	
	2016	2015
	RM	RM
		(unaudited)
Beginning of financial year	**22,117**	26,242
Income tax paid	**(122,090)**	(4,125)
Tax expense	**4,523,554**	-
Under provision in prior financial years	**121,904**	-
End of financial year	**4,545,485**	22,117

12. Loss per share

(a) Basic loss per share

Basic loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Due to the Reverse Acquisition during the financial year, the losses per share has been restated and reflects the results of the Astaka Group, till the date of the Reverse Acquisition, and the results of the Group from the date of the Reverse Acquisition. In addition, the loss per share has been retrospectively adjusted to take into consideration the Share Consolidation as disclosed in Note 24.

12. Loss per share (continued)

(a) Basic loss per share (continued)

The number of ordinary shares outstanding from the beginning of the year to the reverse acquisition date for purpose of calculating the weighted average number of ordinary shares is deemed to be the number of ordinary shares issued by the Company for the Reverse Acquisition, excluding shares issued to the Arranger as arranger fee and placement shares, and the number of ordinary shares outstanding from the reverse acquisition date to the end of the year is the actual number of ordinary shares of the Company outstanding during the financial year. The number of ordinary shares issued by the Company for the Reverse Acquisition, excluding shares issued to the arranger as arranger fee and placement shares, is used in the calculation of weighted average number of ordinary shares for the financial year ended 30 June 2015.

	Group	
	2016	2015
	RM	RM
		(unaudited)
Net loss attributable to equity holders of the Company (RM)	**(110,973,894)**	(14,939,908)
Weighted average number of ordinary shares outstanding for basic earnings/loss per share	**1,753,211,338**	1,567,749,160
Basic loss per share (RM cents per share)	**(6.33)**	(0.95)

(b) Diluted loss per share

The basic loss per share for the financial year ended 30 June 2016 and 30 June 2015 is the same as the respective diluted loss per share, as there were no potential dilutive ordinary shares in existence during the financial year ended 30 June 2016 and 30 June 2015.

13. Development properties

	Group	
	2016	2015
	RM	RM
		(unaudited)
Beginning of financial year:		
Freehold land	**142,338,026**	107,685,226
Development costs	**157,844,181**	108,293,811
	300,182,207	215,979,037
Costs incurred during the financial year:		
Freehold land	-	34,652,800
Development costs	**183,628,876**	49,550,370
End of financial year	**483,811,083**	300,182,207
End of financial year:		
Freehold land	**142,338,026**	142,338,026
Development costs	**341,473,057**	157,844,181
	483,811,083	300,182,207

Borrowing costs of RM8,445,926 (30 June 2015: RM5,619,405), arising on funds borrowed for property development activities, were capitalised during the financial year (Note 10). Certain development properties have been charged as security for a term loan (Note 21).

The major development properties are as follows:

Location	Type of development	Tenure	% of completion at 30 June 2016	Expected completion date	Land area (Sq m)	Gross floor area (Sq m)	Group's interest in property
Malaysia							
The Astaka @ One Bukit Senyum	438 units of serviced apartments	Freehold	40.9%	2018	9,810	172,942	99.99%
Phase 2 of One Bukit Senyum	Integrated mixed-used development	Freehold	-	2021	38,160	442,199	99.99%

14. Trade and other receivables

	Group		Company	
	2016	2015	**2016**	2015
	RM	RM	**RM**	RM
		(unaudited)		
Trade receivables	**27,493,316**	4,152,748	-	-
Other receivables	**2,385,112**	32,367,120		
Customer contract acquisition cost	**35,736,091**	34,389,196	-	-
Prepayments	**344,222**	-	**214,427**	6,537,659
Deposits	**945,869**	92,000	-	-
	66,904,610	71,001,064	**214,427**	6,537,659

Included in the Group's other receivables as at 30 June 2016 are advance payments made to contractors of RM1,870,000 (30 June 2015: RM30,755,430).

Included in the Group's customer contract acquisition cost as at 30 June 2016 consist of payments of legal and levy fees on behalf of customers amounting to RM4,934,287 (30 June 2015: RM4,501,392). These will be recognised in the profit or loss as sales discount when the construction of the development properties is completed and the risks and rewards of ownership have been transferred to the buyer.

The Group's customer contract acquisition cost as at 30 June 2016 also includes sales commission paid to sales agents to secure sales contracts for property development units of RM30,801,804 (30 June 2015: RM29,887,804).

15. Cash and cash equivalents

	Group		Company	
	2016	2015	**2016**	2015
	RM	RM	**RM**	RM
		(unaudited)		
Cash and bank balances	**50,308,184**	3,158,492	**32,788,438**	12,717,669

15. Cash and cash equivalents (continued)

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2016	2015
	RM	RM
		(unaudited)
Cash and bank balances (as above)	**50,308,184**	3,158,492
Less: Bank overdrafts (Note 21)	**(15,972,327)**	(11,367,596)
Cash and cash equivalents per consolidated statement of cash flows	**34,335,857**	(8,209,104)

Included in cash and bank balances is an amount of RM205,638 (30 June 2015: RM279,949) of which the utilisation is subject to the Housing Development (Housing Development Account) Regulation 1991 in Malaysia.

16. Property, plant and equipment

	Show units and sales gallery RM	Renovations RM	Computers RM	Equipment and fittings RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
Group							
2016							
Cost							
Beginning of financial year	9,191,562	176,286	114,106	143,606	1,400,771	80,000	11,106,331
Additions	-	2,613,691	22,584	130,298	125,250	53,690	2,945,513
Reclassification	-	53,690	-	80,000	-	(133,690)	-
Write off	-	-	(1,949)	-	-	-	(1,949)
End of financial year	9,191,562	2,843,667	134,741	353,904	1,526,021	-	14,049,895
Accumulated depreciation							
Beginning of financial year	9,191,562	165,138	56,676	80,630	288,595	-	9,782,601
Depreciation charge	-	745,584	43,920	62,137	280,154	-	1,131,795
Write off	-	-	(1,821)	-	-	-	(1,821)
End of financial year	9,191,562	910,722	98,775	142,767	568,749	-	10,912,575
Net book value							
End of financial year	-	1,932,945	35,966	211,137	957,272	-	3,137,320

16. Property, plant and equipment (continued)

	Show units and sales gallery RM	Renovations RM	Computers RM	Equipment and fittings RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
Group							
2015 (unaudited)							
Cost							
Beginning of financial year	9,191,562	176,286	91,681	137,343	506,425	-	10,103,297
Additions	-	-	22,425	6,263	894,346	80,000	1,003,034
End of financial year	9,191,562	176,286	114,106	143,606	1,400,771	80,000	11,106,331
Accumulated depreciation							
Beginning of financial year	4,595,781	82,569	30,881	46,745	8,440	-	4,764,416
Depreciation charge	4,595,781	82,569	25,795	33,885	280,155	-	5,018,185
End of financial year	9,191,562	165,138	56,676	80,630	288,595	-	9,782,601
Net book value							
End of financial year	**-**	**11,148**	**57,430**	**62,976**	**1,112,176**	**80,000**	**1,323,730**

Included within additions in the consolidated financial statements are motor vehicles acquired under hire purchases amounting to RM105,002 (30 June 2015: Nil). The carrying amounts of motor vehicles held under hire purchase are RM420,664 (30 June 2015: RM396,700).

17. Investment properties

	Freehold land RM	Leasehold land and buildings RM	Total RM
Group			
2016			
Cost			
Beginning and end of financial year	-	-	-
Accumulated depreciation			
Beginning and end of financial year	-	-	-
Net book value at end of financial year	**-**	**-**	**-**

17. Investment properties (continued)

	Freehold land RM	Leasehold land and buildings RM	Total RM
2015 (unaudited)			
Cost			
Beginning of financial year	-	590,000	590,000
Disposal	-	(590,000)	(590,000)
End of financial year	-	-	-
Accumulated depreciation			
Beginning of financial year	-	83,502	83,502
Charge for the financial year	-	3,481	3,481
Disposal	-	(86,983)	(86,983)
End of financial year	-	-	-
Net book value at end of financial year	-	-	-

18. Investment in subsidiaries

	Company	
	2016	2015
	RM	RM
Equity investments, at cost		
Beginning of financial year	-	-
Additions (Note (a))	**1,311,074,539**	-
Impairment	**(82,074,539)**	-
End of financial year	**1,229,000,000**	-

(a) The additions made to investment in subsidiaries during the year comprises:

(i) 1,567,749,160 ordinary shares in the Company issued to the previous shareholders of Astaka Group at S$0.2679 per share;

(ii) 29,861,888 ordinary shares in the Company issued to the Arranger at S$0.2679 per share; and

(iii) subscription of 4,199,850 ordinary shares by the Company in Astaka Padu Limited for an aggregate subscription price of S$1,000,000 (RM3,049,200) in cash.

18. Investment in subsidiaries (continued)

The Company had the following subsidiaries as at 30 June 2016 which were acquired as part of the Reverse Acquisition (Note 31):

Name of subsidiary	Principal activities	Country of business / incorporation	Proportion of ordinary shares directly held by the Group	Proportion of ordinary shares directly held by non-controlling interests
			2016	**2016**
			%	**%**
Held by the Company Astaka Padu Limited[1] (“APL”)	Investment holding	British Virgin Islands	**99.99**	**0.01**
Held by Astaka Padu Limited Astaka Padu Sdn Bhd[2] (“APSB”)	Property development	Malaysia	**100**	-

1. Not required to be audited by law in the country of incorporation
2. Audited by PricewaterhouseCoopers, Malaysia

The Directors are of the opinion that the non-controlling interests in subsidiaries are not material to the Group.

19. Amount due from/(to) related parties

	Group		Company	
	2016	2015	**2016**	2015
	RM	RM	**RM**	RM
		(unaudited)		
Amounts due from:				
Subsidiaries	**-**	-	**92,512,701**	-
	-	-	**92,512,701**	-
Amounts due to:				
Other related parties (Note 29(a))	**(9,987,355)**	(6,011,229)	**-**	-
A shareholder	**(18,522,839)**	(15,522,839)	**-**	-
Subsidiaries	**-**	-	**(2,966,410)**	-
	(28,510,194)	(21,534,068)	**(2,966,410)**	-

Amounts due from/(to) related parties at the balance sheet date are non-trade, unsecured, interest-free and repayable on demand.

20. Trade and other payables

	Group		Company	
	2016	2015	**2016**	2015
	RM	RM	**RM**	RM
		(unaudited)		
Trade payables	**63,790,512**	66,297,753	**-**	-
Other payables	**6,907,593**	6,731,258	**521,076**	3,618,845
Accrued expenses	**1,285,891**	2,663,187	**-**	-
	71,983,996	75,692,198	**521,076**	3,618,845
Progress billings in respect of property development	**215,180,021**	134,637,839	**-**	-
	287,164,017	210,330,037	**521,076**	3,618,845

21. Borrowings

	Group	
	2016	2015
	RM	RM
		(unaudited)
Current		
Bank borrowings – term loans	**39,849,181**	51,626,589
Bank overdrafts	**15,972,327**	11,367,596
	55,821,508	62,994,185
Non-current		
Bank borrowings – term loans	**87,733,634**	52,925,033
Total borrowings	**143,555,142**	115,919,218

The exposure of the borrowings of the Group to interest rate changes and the contractual repricing dates at the balance sheet date are as follows:

	Group	
	2016	2015
	RM	RM
		(unaudited)
Less than 1 year	**55,821,508**	62,994,185
Between 1 and 5 years	**87,733,634**	52,925,033
	143,555,142	115,919,218

21. Borrowings (continued)

(a) Security granted

Included in the term loan and bank overdraft is an AL Murabahah credit facility from Maybank Islamic Berhad of RM270,770,000 (2015: RM270,770,000) for the purpose of the construction of the Group's development properties. It is secured against a 1st Party, 2nd, 3rd, 4th, 5th, 6th and 7th legal charge over the land and building to be erected on the land in Bukit Senyum under PTD 216346 HSD520590, Mukim Plentong, District of Johor Bahru of up to the outstanding borrowing amount and a controlling shareholder's fixed deposit of RM20,000,000 (2015: RM50,000,000). The term loan is jointly and severally guaranteed by the controlling shareholder of the Company, a director of the Company and the directors of APSB.

Included in the bank overdraft as at 30 June 2016 is an Affin Bank Berhad overdraft facility of RM10,000,000 (2015: RM Nil) for the working capital requirements of the Group. The bank overdraft facility is secured against a controlling shareholder's fixed deposit of RM10,000,000 (2015: RM Nil).

Included in the bank overdraft as at 30 June 2015 is a Maybank Islamic Berhad 6-months bank overdraft facility of RM5,000,0000. The bank overdraft was secured by a lodgment of lienholder's caveat and charge-in-escrow over the land under PTD 216345 HSD520589, Mukim Plentong, District of Johor Bahru for RM5,000,000. The 6-months bank overdraft facility was fully settled on 14 December 2015 and the lienholder's caveat was released on 18 August 2016.

(b) Fair value of borrowings

The carrying value of the borrowings is a reasonable approximation of their fair values.

(c) Undrawn borrowings facilities

	Group	
	2016	2015
	RM	RM
		(unaudited)
Expiring within one year	-	5,450,000
Expiring beyond one year	**19,919,766**	102,404,777
	19,919,766	107,854,777

22. Hire purchase liabilities

The Group leases motor vehicles from non-related parties under hire purchase.

	Group	
	2016	2015
	RM	RM
		(unaudited)
Minimum lease payments		
Not later than 1 year	**91,284**	67,470
Later than 1 year not later than 5 years	**230,132**	202,406
	321,416	269,876
Less: Future finance charges on finance lease	**(37,049)**	(30,504)
Present value of finance lease liabilities	**284,367**	239,372
Representing:		
Current	**81,012**	60,007
Non-current	**203,355**	179,365
	284,367	239,372
Present value of finance lease liabilities		
Not later than 1 year	**81,012**	60,007
Later than 1 year not later than 5 years	**203,355**	179,365
	284,367	239,372

23. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsettings, are shown on the balance sheet as follows:

	Group	
	2016	2015
	RM	RM
		(unaudited)
Deferred income tax liabilities		
To be settled after one year	**2,734,955**	7,897,027

23. Deferred income taxes (continued)

Movement in deferred income tax account is as follows:

	Group	
	2016	2015
	RM	RM
		(unaudited)
Beginning of financial year	**7,897,027**	9,606,628
Tax credited to:		
Profit or loss (Note 11(a))	**(5,162,072)**	(1,709,601)
End of financial year	**2,734,955**	7,897,027

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

Deferred income tax assets

	Tax losses RM	Property plant and equipment RM	Property development cost RM	Total RM
Group				
2016				
Beginning of financial year	4,493,155	6,220	6,516,806	11,016,181
Credited to:				
Profit or loss (Note 11(a))	(4,493,155)	(6,220)	10,905,435	6,406,060
End of financial year	-	-	17,422,241	17,422,241
2015 (unaudited)				
Beginning of financial year	1,023,675	33,652	8,102,007	9,159,334
Credited to:				
Profit or loss (Note 11(a))	3,469,480	(27,432)	(1,585,201)	1,856,847
End of financial year	4,493,155	6,220	6,516,806	11,016,181

Deferred income tax assets recognised from property development cost relates to temporary differences arising from the recognition of income for tax purposes as development activity progresses, by reference to the stage of completion of the development activity at the balance sheet date.

23. Deferred income taxes (continued)

Deferred income tax liabilities

	Gain of sale on land RM	Receivables and prepayments RM	Property plant and equipment RM	Total RM
Group				
2016				
Beginning of financial year	11,826,166	7,087,042	-	18,913,208
Credited to:				
Profit or loss (Note 11(a))	-	1,237,313	6,675	1,243,988
End of financial year	11,826,166	8,324,355	6,675	20,157,196
2015 (unaudited)				
Beginning of financial year	11,826,166	6,939,796	-	18,765,962
Credited to:				
Profit or loss (Note 11(a))	-	147,246	-	147,246
End of financial year	11,826,166	7,087,042	-	18,913,208

24. Share capital

	No. of ordinary shares issued Company & Group	Amount of share capital Group RM	Amount of share capital Company RM
2016			
Beginning of financial year	**280,000,000**	**30,769,111**	**4,899,747**
Share consolidation (Note (a))	**(186,666,745)**	-	-
Capital Reduction (Note (b))	-	-	**(5,462,422)**
Shares issued for Reverse Acquisition (Note 31)	**1,567,749,160**	**73,421,319**	**1,280,664,000**
Shares issued to Arranger (Note 31)	**29,861,888**	**27,361,339**	**27,361,339**
Issue of placement shares (Note (c))	**178,490,000**	**130,620,410**	**130,620,410**
Share issues expenses	-	**(2,788,402)**	**(2,788,402)**
Effects of change in functional currency (Note 33)	-	-	**19,784,272**
	1,869,434,303	**259,383,777**	**1,455,078,944**
2015 (unaudited)			
Beginning of financial year	280,000,000	20,000,000	96,018,943
Issue of new shares	-	21	-
Share swap pursuant to capital reorganisation (Note (d))	-	(20,000,000)	-
Issue of shares pursuant to capital reorganisation (Note (d))	-	30,769,090	-
Capital Reduction (Note (e))	-	-	(91,119,196)
	280,000,000	30,769,111	4,899,747

24. Share capital (continued)

The Group's share capital amount differs from that of the Company as a result of reverse acquisition accounting as described in Note 31.

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

(a) On 18 November 2015, the shares in the Company were consolidated on the basis of one share for every three shares held by the shareholders ("Share Consolidation"). The number of consolidated shares to which shareholders are entitled arising from the Share Consolidation were rounded down to the nearest whole consolidated share, and any fractions of Consolidated Shares arising from the Share Consolidation were disregarded.

(b) The Company undertook on 6 May 2015, a Capital Reduction exercise which involved the distribution of capital of HKD$9,800,000 (RM5,462,422) representing approximately HKD$0.035 for each share held before the completion of the Reverse Acquisition, in cash. The Capital Reduction exercise did not result in any change in the number of shares of the Company.

(c) On 19 November 2015, the Company issued 178,490,000 ordinary shares ("placement shares") at S$0.24 (RM0.73) each, for cash.

(d) In September 2014, APL acquired the entire share capital of APSB through a share-for-share swap by issuing 80 ordinary shares amounting to RM20,000,000 to the shareholders of APSB. The acquisition of APSB by APL has been accounted for as a capital reorganisation as both APSB and APL were under common control of the same controlling shareholders.

The share capital of the Group issued for the purpose of the capital reorganisation in September 2014 amounting to RM30,769,090 was measured based on deemed cost of acquiring APSB, being the existing carrying values of the net assets acquired. The resulting differences are recognised separately as a component of equity (known as "merger reserve").

(e) The Company undertook on 25 July 2014, a Capital Reduction exercise by way of cash distribution of HK$187,600,000 (RM91,119,196). The Capital Reduction exercise did not result in any change in the number of shares of the Company.

25. Other reserves

	Company	
	2016	2015
	RM	RM
(a) Composition:		
(i) Capital reserve	**1,419,389**	1,054,451
(ii) Currency translation reserve	**-**	14,745,033
	1,419,389	15,799,484

Other reserves are non-distributable.

	Company	
	2016	2015
	RM	RM
(b) Movement:		
(i) Capital reserve		
Beginning of financial year	**1,054,451**	1,054,451
Effects of change in functional currency (Note 33)	**364,938**	-
End of financial year	**1,419,389**	1,054,451
(ii) Currency translation reserve		
Beginning of financial year	**14,745,033**	(1,096,690)
Net currency translation gains	**2,307,597**	15,841,723
Effects of change in functional currency (Note 33)	**(17,052,630)**	-
End of financial year	**-**	14,745,033

The currency translation reserve represents exchange differences arising from the translation of the financial statements of the Company arising from the change in presentation currency from HKD to RM (Note 33).

26. Accumulated losses

Movement in accumulated losses for the Company is as follows:

	Company	
	2016	2015
	RM	RM
Beginning of financial year	**(5,062,748)**	(3,690,191)
Effects of change in functional currency (Note 33)	**(3,096,580)**	-
Net loss for the financial year	**(97,310,925)**	(1,372,557)
	(105,470,253)	(5,062,748)

27. Commitments

(a) Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	Group		Company	
	2016	2015	**2016**	2015
	RM	RM	**RM**	RM
		(unaudited)		
Property, plant and equipment				
Capital expenditure approved and contracted for	-	2,649,762	-	-

(b) Operating lease commitments - where the Group is a lessee

The Group leases office spaces from other related parties (Note 29(a)) under non-cancellable operating lease agreements. The future minimum lease payables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	Group	
	2016	2015
	RM	RM
		(unaudited)
Not later than 1 year	**246,000**	-
Between 1 and 5 years	**65,500**	-
	311,500	-

28. Financial risk management

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its liquidity and credit risks. Financial risk management is carried out through risk reviews, internal control systems and the Group operates within clearly defined guidelines approved by the Board. It is the Group's policy not to engage in speculative transactions. As and when the Group undertakes significant transactions with risk exposure, the Group evaluates its exposure and the necessity to hedge such exposure taking into consideration the availability and cost of such hedging instruments. Financial instruments such as trade receivables, trade and other payables arise directly from the Group's operations. The main risks arising from financial instruments are interest rate, liquidity and credit risks. The policies for controlling these risks, where applicable, are set out below.

(a) Market risk

(i) Currency risk

The Group's exposure to currency risk principally arises from Singapore Dollars ("SGD") and Hong Kong Dollars ("HKD") denominated cash and cash equivalents amounting to RM equivalents of RM25,371,785 and RM7,422,053 respectively (30 June 2015: RM133,475 and RM Nil respectively). They are primarily held by the Company. If the SGD and HKD had strengthened/weakened by 5% (30 June 2015: 5%) against RM with all other variables including tax rate being held constant, the Group's current year profit after tax would have been higher/lower by RM1,053,000 (30 June 2015: RM6,000) and RM308,000 (30 June 2015: RM Nil), respectively.

Apart from these SGD and HKD denominated cash and cash equivalents, the Group and Company is not exposed to significant foreign currency risk on monetary assets and liabilities that are denominated in a currency other than the functional currencies of the entities within the Group.

(ii) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group is not exposed to fair value interest rate risk.

The Group's exposure to cash flow interest rate risks arises mainly from variable rate borrowings. The Group manages its interest rate exposure by monitoring movements in interest rates and actively reviewing its borrowings.

28. Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

The movement of the interest rate for the borrowing does not have any impact on loss for the financial year as the whole interest is capitalised into development properties during the financial year.

The Group's interest bearing assets are primarily bank balances. The interest rates on these bank balances are monitored closely to ensure that they are maintained at favourable rates. The Group considers the risk of significant changes to interest rates on bank balances to be unlikely.

(b) Credit risk

The Group controls its credit risk by the application of credit approvals, limits and monitoring procedures. Credit evaluations are performed on all customers requiring credit over a certain amount and strictly limiting the Group's associations to business partners with high credit worthiness. The maximum exposure to credit risk of trade receivables at the reporting date is the carrying value shown in the balance sheet. For other financial assets, the Group and Company adopts the policy of dealing only with high credit quality counterparties.

The Group's trade receivables represents progress billings for uncompleted development properties. However, the ownership and rights to the development properties sold revert to the Company in the event of default. Trade receivables are monitored on an ongoing basis. Generally, the Group does not require collateral in respect of its financial assets.

(i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks which have high credit-ratings as determined by international credit-rating agencies. Trade and other receivables that are neither past due nor impaired are substantially companies and individuals with good collection track records with the Group.

(ii) Financial assets that are past due and/or impaired

As at 30 June 2016, RM27,493,316 (2015: RM4,152,748) of receivables were past due but not impaired. These relate to the number of external parties where there is no expectation of default. The ageing and history of default analysis of these receivables are as follows:

28. Financial risk management (continued)

(b) Credit risk (continued)

(ii) Financial assets that are past due and/or impaired (continued)

	Group		Company	
	2016	2015	**2016**	2015
	RM	RM	**RM**	RM
		(unaudited)		
Less than 30 days past due	**2,215,500**	320,712	-	-
Between 30 days and 60 days past due	**4,204,628**	891,388		
Between 61 days and 90 days past due	**3,571,274**	253,466	-	-
Between 91 days and 1 year past due	**4,296,589**	2,616,527	-	-
	14,287,991	4,082,093	-	-

As at 30 June 2016, there are no trade and other receivables the Group and the Company that was impaired and provided for (2015: RM Nil).

(c) Liquidity risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group endeavours to maintain sufficient levels of cash or cash convertible investments to meet its working capital management.

The table below analyses the financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Group		Company	
	Less than 1 year	Between 1 and 5 years	Less than 1 year	Between 1 and 5 years
At 30 June 2016	RM	RM	RM	RM
Payables (excluding progress billings in respect of property development)	71,983,996	-	521,076	-
Amounts due to related parties	28,510,194	-	-	-
Amounts due to subsidiaries	-	-	2,966,410	-
Borrowings	68,454,395	99,140,561	-	-
Hire purchase liabilities	91,284	230,132	-	-
	169,039,869	**99,370,693**	**3,487,486**	-

28. Financial risk management (continued)

(c) Liquidity risk (continued)

	Group		Company	
	Less than 1 year	Between 1 and 5 years	Less than 1 year	Between 1 and 5 years
	RM	RM	RM	RM
	(unaudited)	(unaudited)		
At 30 June 2015				
Payables (excluding progress billings in respect of property development)	75,692,198	-	3,618,845	-
Amounts due to related parties	21,534,068	-	-	-
Borrowings	66,914,149	65,354,816	-	-
Hire purchase liabilities	67,470	202,406	-	-
	164,207,885	**65,557,222**	**3,618,845**	**-**

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value.

The Board of Directors monitors the Group's capital based on net debt and total capital. Net debt is calculated as borrowings plus trade and other payables less cash and bank balances. Total capital is calculated as equity plus net debt.

	Group		Company	
	2016	2015	**2016**	2015
	RM	RM	**RM**	RM
		(unaudited)		
Net debt	**409,205,536**	344,864,203	**(29,300,952)**	(9,098,824)
Total equity	**137,367,037**	19,723,654	**1,351,028,080**	15,636,483
Total capital	**546,572,573**	364,587,857	**1,321,727,128**	6,537,659
Gearing ratio	**0.75**	0.95	**N.M.**	N.M.

N.M. – Not meaningful as the Company is in net cash position.

The Group and Company are not subject to any externally imposed capital requirements.

(e) Fair value measurements

The carrying amounts of cash and cash equivalents, trade and other receivables and payables recorded in the financial statements approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

28. Financial risk management (continued)

(f) Financial instruments by category

The aggregate carrying amounts of loans and receivables and financial liabilities at amortised cost are as follows:

	Group		Company	
	2016	2015	**2016**	2015
	RM	RM	**RM**	RM
		(unaudited)		
Loans and receivables				
(excluding advance payments made to contractors, prepayments, and payment of customers' legal and levy fees)	**79,262,481**	9,014,930	**125,301,139**	6,585,255
Financial liabilities at amortised cost	**244,333,699**	213,384,856	**3,487,486**	3,618,845

There is no offsetting between financial assets and financial liabilities during the financial year.

29. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Transactions with other related parties

	Group	
	2016	2015
	RM	RM
		(unaudited)
Advance from:		
Sharikat Sukma Kemajuan Dan Perusahaan Sdn Bhd	-	2,700,000
Bidari Kekal Sdn Bhd	**3,800,000**	950,000
Payment made on behalf for:		
Sharikat Sukma Kemajuan Dan Perusahaan Sdn Bhd	**500,000**	-
Proceeds from disposal of investment properties to:		
Sukma Consortium Sdn Bhd	-	590,003
Rental expenses paid to:		
Sukma Consortium Sdn Bhd	**136,000**	-

29. Related party transactions (continued)

(a) Transactions with other related parties (continued)

The other related parties are Bidari Kekal Sdn Bhd, Sharikat Sukma Kemajuan Dan Perusahaan Sdn Bhd and Sukma Consortium Sdn Bhd. A controlling shareholder of the Company is a director of these companies. These companies are incorporated in Malaysia.

(b) Transactions with a controlling shareholder

	Group	
	2016	2015
	RM	RM
		(unaudited)
Advance from a controlling shareholder of the Company	**3,000,000**	8,128,400

(c) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2016	2015
	RM	RM
		(unaudited)
Short-term employee benefits:		
Director fees	**525,137**	935,000
Wages and salaries	**2,320,760**	1,436,166
Employer's contribution to defined contribution plans	**118,142**	49,812
	2,964,039	2,420,978

30. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors. The Board of Directors is responsible for allocating resources and assessing performance of the operating segments. The operating segments were determined based on the reports reviewed by management.

The management considers that the entire Group's operations constitute a single segment which is in the business of property development in Malaysia. Management assesses the performance of the Group's operations based on the profit before income tax, total assets and total liabilities which are measured in a manner consistent with that of the consolidated financial statements.

31. Reverse acquisition

As disclosed in Note 2, the Astaka Group is regarded as the accounting acquirer, and the Company (being the legal parent in the transaction) is regarded as the accounting acquire of the Reverse Acquisition. The Astaka Group is deemed to have issued equity shares as purchase consideration for the assets and liabilities of the Company using the accounting principles in FRS 102 *Share-based Payment,* as the Company's operations did not constitute a business under FRS 103 *Business Combination*.

In the consolidated financial statements, the consideration of the acquisition was measured at RM73,424,674, which was the fair value of the entire issued equity of the Company prior to the completion of the Reverse Acquisition on 19 November 2015.

The identifiable assets of the Company were as follows:

	RM
Cash and cash equivalents	9,027,023
Other receivables	7,791,939
Total assets	16,818,962
Other payables	7,018,987
Total liabilities	7,018,987
Total identifiable net assets	9,799,975

The difference between the purchase consideration and identifiable assets of the Company, amounting to RM63,624,699, has been recognised in the Consolidated Statement of Comprehensive Income as acquisition costs arising from the reverse acquisition incurred by the Astaka Group in accordance with FRS 102.

In addition, 29,861,888 shares issued at S$0.2679 per share to the Arranger amounting to RM27,361,339, has been recognised in the Consolidated Statement of Comprehensive Income in accordance with FRS 102.

32. Events occurring after balance sheet date

On 3 October 2016, APSB entered into a joint venture agreement with a related party, Saling Syabas Sdn Bhd ("SSSB") (the "JV Agreement") in relation to a proposed property development project on certain parcels of land located in Kota Tinggi, Johor, Malaysia, owned by SSSB (the "Bukit Pelali Land"). A controlling shareholder of the Company is a controlling shareholder of SSSB.

Pursuant to the terms of the JV Agreement, APSB and SSSB have incorporated a joint venture company in Malaysia, namely, Bukit Pelali Properties Sdn Bhd (the "JV Co") on 3 October 2016, to undertake a development project on the Bukit Pelali Land (the "JV Co Incorporation").

Following the JV Co Incorporation, the JV Co has entered into a conditional joint development agreement and a side letter with SSSB on 3 October 2016 (together, the "Development Agreement") under which SSSB has granted the JV Co a sole and exclusive right to develop the Bukit Pelali Land (the "Bukit Pelali Project") and the absolute right and authority to look for prospective purchasers of the properties offered for sale in the Bukit Pelali Project for an amount not exceeding RM165,000,000. The Group is in the process of assessing the potential impact of the event on the financial statements.

33. Effects of change in functional and presentation currency

Prior to 19 November 2015, the functional and presentation currency of the Company was HKD.

From 19 November 2015, the Company changed its functional currency to RM as a result of its investment in the Astaka Group. The primary economic environment of the Astaka Group in the property development business is in RM.

The change in functional currency of the Company was applied prospectively from the date of the change in accordance with FRS 21 *The Effect of Changes in Foreign Exchange Rate*. On the date of the change of functional currency, all assets, liabilities, issued capital and other components of equity and profit or loss account items were translated into RM at the exchange rate on that date. As a result, the cumulative currency translation differences which arose up to the date of the change of functional currency were reallocated to other components within equity.

In conjunction with the change in functional currency, the Company had also changed its presentation currency to RM. The change in presentation currency of the Company has been applied retrospectively in accordance with FRS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*. Accordingly, the comparative figures of the Company for the financial year ended 30 June 2015 and 2014, which were previously measured in HKD, have been translated to RM for presentation purposes:

(a) assets and liabilities are translated at the year-end exchange rates;
(b) income and expenses are translated at the average exchange rates;
(c) equity balances and retained earnings are translated at historical rates prevailing at the dates of the transaction; and
(d) resultant exchange differences are recognised in the other comprehensive income and accumulated in the currency translation reserve.

34. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 July 2016 and which the Group has not early adopted:

- FRS 115 *Revenue from contracts with customers* (effective for annual periods beginning on or after 1 January 2018)

  This is the converged standard on revenue recognition. It replaces FRS 11 Construction Contracts, FRS 18 Revenue, and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The Group is in the process of assessing the potential impact of FRS 115 on the financial statements.

34. New or revised accounting standards and interpretations (continued)

- Amendments to FRS 1 *Presentation of financial statements* (*Disclosure initiative*) (effective for annual periods beginning on or after 1 January 2016)

  These amendments clarify guidance in FRS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. These amendments are not expected to have any significant impact on the financial statements of the Group.

- FRS 109 *Financial instruments* (effective for annual periods beginning on or after 1 January 2018)

  The complete version of FRS 109 replaces most of the guidance in FRS 39. FRS 109 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through Profit or Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI. There is now a new expected credit losses model that replaces the incurred loss impairment model used in FRS 39.

  For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value, through profit or loss. FRS 109 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under FRS 39. This amendment is not expected to have any significant impact on the financial statements of the Group.

- FRS 116 *Leases* (effective for annual periods beginning on or after 1 January 2019)

  FRS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on the statement of financial position. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

  The income statement will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBIT will change. Operating cash flows will be higher as cash payments for the principal portion of the lease liability are classified within financing activities. Only the part of the payments that reflects interest can continue to be presented as operating cash flows.

  The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease. Under FRS 116, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group is in the process of assessing the potential impact of FRS 116 on the financial statements.

34. New or revised accounting standards and interpretations (continued)

- Amendments to FRS 7 *Cash flow statements* (*Disclosure initiatives*) (effective for annual periods beginning on or after 1 January 2017).

  These amendments introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The Group will include the required additional disclosures when the amendment is effective.

35. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Astaka Holdings Limited on 4 October 2016.

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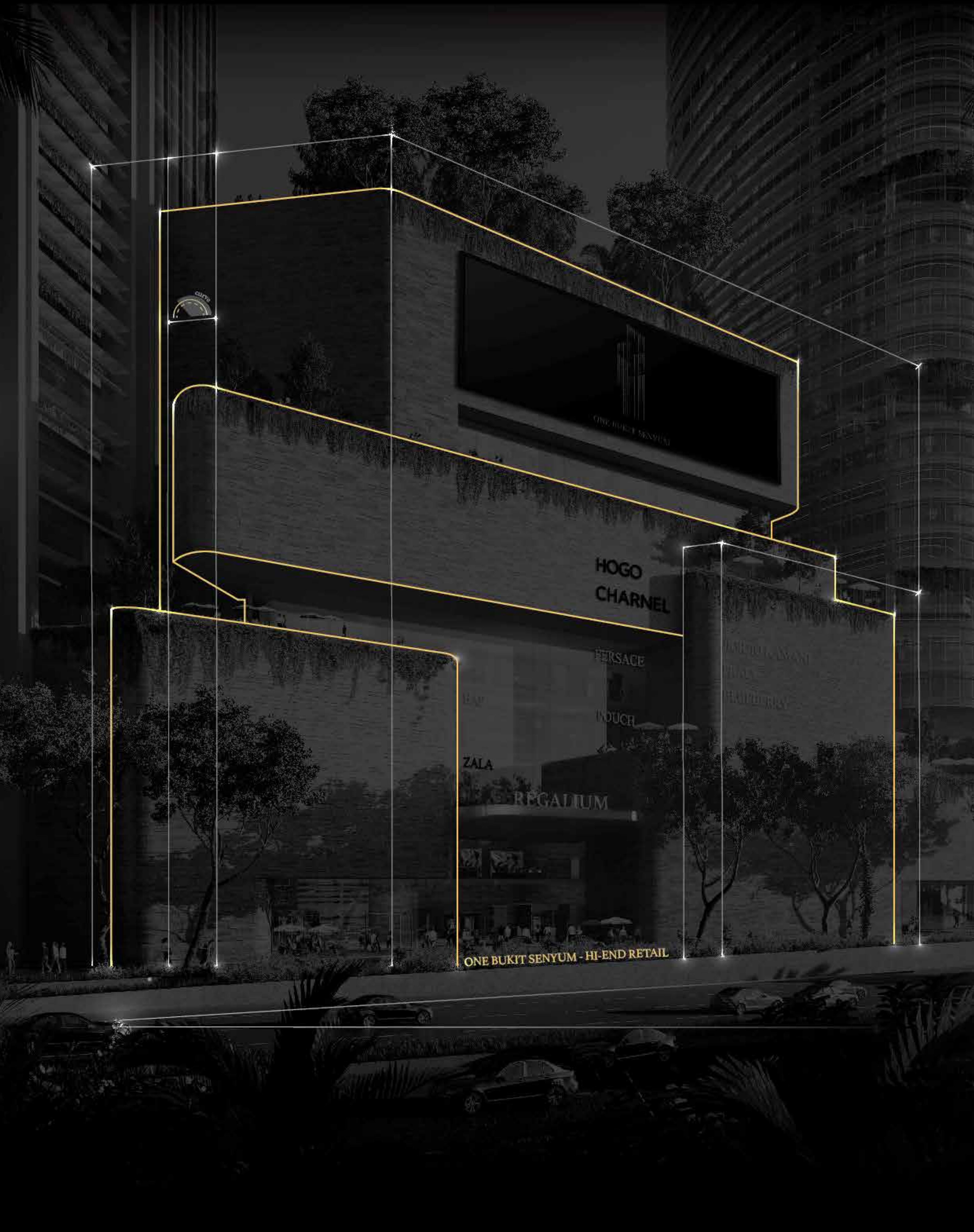
No. 05

INVESTING IN OUR FUTURE

Creating Opportunities For Time To Come


HOGO
CHARNEL
FERSACE
ZALA
REGALIUM
ONE BUKIT SENYUM - HI-END RETAIL

SHAREHOLDING STATISTICS

As at 20 September 2016

SHARE CAPITAL

Class of Shares	: Ordinary shares
Issued and fully paid-up capital	: S$477,554,589.08
Number of Shares issued	: 1,869,434,303
Voting rights	: One vote per ordinary share

The Company does not hold any treasury shares.

Distribution of Shareholders by size of shareholdings

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	95	42.99	3,135	0.00
100 – 1,000	16	7.24	7,661	0.00
1,001 – 10,000	51	23.08	255,633	0.02
10,001 – 1,000,000	45	20.36	4,918,565	0.26
1,000,000 and above	14	6.33	1,864,249,309	99.72
Total	221	100.00	1,869,434,303	100.00

Substantial Shareholders

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	**%**	**Deemed Interest**	**%**
Horizon Sea Limited	1,244,062,150	66.55	-	-
Dato' Daing A Malek Bin Daing A Rahaman[1]	-	-	1,244,062,150	66.55

Notes:

Dato' Daing A Malek Bin Daing A Rahaman is deemed interested in the shares held by Horizon Sea Limited by virture of him being the sole shareholder of Horizon Sea Limited.

Twenty Largest Shareholders as at 20 September 2016

	Name of Shareholder	No of Shares	% of Shares
1	HORIZON SEA LIMITED	1,244,062,150	66.55
2	PHILLIP SECURITIES PTE LTD	209,919,620	11.23
3	ACE POINT HOLDINGS LIMITED	93,281,075	4.99
4	GLORYBASE HOLDINGS LIMITED	93,281,075	4.99
5	RHB SECURITIES SINGAPORE PRIVATE LIMITED	63,856,898	3.42
6	LUXUS HOLDINGS LIMITED	55,968,645	2.99
7	CIMB SECURITIES (SINGAPORE) PTE LTD	53,155,299	2.84
8	HSBC (SINGAPORE) NOMINEES PTE LTD	23,511,666	1.26
9	CLASSIC LINK INVESTMENTS LIMITED	18,656,215	1.00
10	NG SAY PIYU	3,783,666	0.20
11	HANIFAH BINTE MOHAMED HOSNAN	1,235,000	0.07
12	RYAISHA FILDA BINTE ROSLAN	1,235,000	0.07
13	ZHAO JING	1,212,000	0.06
14	MA ZHEN	1,091,000	0.06
15	CITIBANK NOMINEES SINGAPORE PTE LTD	940,933	0.05
16	TAN SIEW BOOY	564,000	0.03
17	DBS NOMINEES PTE LTD	505,999	0.03
18	UOB KAY HIAN PTE LTD	449,000	0.02
19	YU KAM YUEN LINCOLN	226,666	0.01
20	HUM TEE SUNG	206,000	0.01
	Total	**1,867,141,907**	**99.88**

Percentage of Shareholding in Public's Hands

Based on the information available to the Company as at 20 September 2016, approximately 23.47% of the issued ordinary shares of the Company were held by the public. Accordingly, the Company has complied with Rule 723 of the Catalist Rules.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the "Meeting") of ASTAKA HOLDINGS LIMITED (the "Company") will be held at Hullet Room Level 4, Raffles City Convention Centre, Fairmont Singapore, 80 Bras Basah Road, Singapore 189560 on Wednesday, 26 October 2016 at 11.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 30 June 2016 together with the Auditors' Report thereon.

(Resolution 1)

2. To re-elect the following Directors retiring pursuant to Regulations 88 and 89 of the Company's Constitution:

Mr. Lee Gee Aik	(Retiring under Regulation 89)	**(Resolution 2)**
Mr. Neo Gim Kiong	(Retiring under Regulation 88)	**(Resolution 3)**
Mr. San Meng Chee	(Retiring under Regulation 88)	**(Resolution 4)**
Dato' Zamani Bin Kasim	(Retiring under Regulation 88)	**(Resolution 5)**

Mr. Lee Gee Aik will, upon re-election as a Director of the Company, remain as the Chairman of the Audit Committee and will be considered independent for the purpose of Rule 704(7) of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited ("Catalist Rules"). Mr. Lee Gee Aik will also continue to be a member of the Nominating and Remuneration Committees.

Mr. Neo Gim Kiong will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and will be considered independent for the purpose of Rule 704(7) of the Catalist Rules Mr. Neo Gim Kiong will also continue to be the Chairman of the Nominating Committee and a member of the Remuneration Committee.

Mr. San Meng Chee will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and will be considered independent for the purpose of Rule 704(7) of the Catalist Rules. Mr. San Meng Chee will also continue to be the Chairman of the Remuneration Committee and a member of the Nominating Committee.

Dato' Zamani Bin Kasim will, upon re-election as a Director of the Company, remain as the Executive Director and Chief Executive Officer of the Company.

Please refer to the section "Board of Directors" in the annual report for the financial year ended 30 June 2016 ("FY2016") for information on the above-mentioned directors.

3. To approve the payment of additional Directors' fees of SGD17,062 for the financial year ended 30 June 2016. [See Explanatory Note (i)]

(Resolution 6)

4. To approve the payment of Directors' fees of SGD220,000 for the financial year ending 30 June 2017, to be paid quarterly in arrears (FY2016: SGD193,200).

(Resolution 7)

5. To re-appoint PricewaterhouseCoopers LLP as the Company's Auditors and to authorise the Directors of the Company to fix their remuneration.

(Resolution 8)

6. To transact any other ordinary business which may be transacted at the Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

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

That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and Rule 806 of the Catalist Rules, authority be given to the Directors of the Company to issue shares ("Shares") whether by way of rights, bonus or otherwise, and/or make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be allotted and issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and (notwithstanding the authority conferred in this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, provided that:

(a) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to all shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (b) below);

(b) (subject to such manner as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (a) above, the total number of issued Shares (excluding treasury shares) shall be based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(i) new Shares arising from the conversion or exercise of convertible securities;

(ii) new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

(iii) any subsequent bonus issue, consolidation or subdivision of Shares;

(c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and

(d) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the Company's next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (ii)]

(Resolution 9)

8. Authority to allot and issue shares under the Astaka Share Option Scheme (formerly known as Westminster Share Option Scheme)

That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, the Directors of the Company be authorised and empowered to grant options in accordance with the provisions of the Astaka Share Option Scheme (the "Scheme") and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of the options granted by the Company under the Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the Scheme shall not exceed 15% of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. [See Explanatory Note (iii)]

(Resolution 10)

By Order of the Board

Ms. Cheng Lisa
Secretary
Singapore, 11 October 2016

Explanatory Notes on Ordinary Resolutions to be passed:

(i) Directors' fees for the financial year ended 30 June 2016 of SGD193,200 was approved by the shareholders at the Annual General Meeting held on 26 October 2015. Following the revised fee structure subsequent to the RTO completion on 19 November 2015, there would be additional Directors' fees for the financial year ended 30 June 2016 of SGD17,062.

(ii) The Ordinary Resolution 9 proposed in item 7 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 50% may be issued other than on a pro rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed, after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed, and any subsequent bonus issue, consolidation or subdivision of shares.

(iii) The Ordinary Resolution 10 proposed in item 8 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted or to be granted under the Scheme. The aggregate number of shares which may be issued pursuant to the Scheme which the Company may have in place shall not exceed 15% of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time.

Notes:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a Member of the Company.

2. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such members. Where such members' form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.

3. If the appointor is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.

4. The instrument appointing a proxy must be deposited at the registered office of the Company at 38 Beach Road, #29-11 South Beach Tower, Singapore 189767 not less than forty-eight (48) hours before the time appointed for holding the Meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:
CPF and SRS Investors

1. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investors") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy. In which case, the CPF and SRS Investors shall be precluded from attending the Meeting.

2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

3. CPF investors who wish to vote should contact their CPF Approved Nominees.

Personal Data Privacy

4. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Company's Notice of Annual General Meeting.

*I/We, ______________________________ *(Name)*
of ______________________________ *(Address)*
being a member/members of Astaka Holdings Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing *him/her, the Chairman of the annual general meeting (the "Meeting") as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the Meeting of the Company to be held at Hullet Room Level 4, Raffles City Convention Centre, Fairmont Singapore, 80 Bras Basah Road, Singapore 189560 on Wednesday, 26 October 2016 at 11.00 a.m. and at any adjustment there of.

*I/We direct *my/our *proxy/proxies to vote for or against the Resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the *proxy/proxies will vote or abstain from voting at *his/her discretion.

(If you wish to exercise all your votes "For" or "Against", please indicate with a tick [√] within the box provided. Alternatively please indicate the number of votes as appropriate.)

No.	Resolutions relating to:	For	Against
1	Directors' Statement and Audited Financial Statements for the financial year ended 30 June 2016		
2	Re-election of Mr. Lee Gee Aik as a Director of the Company		
3	Re-election of Mr. Neo Gim Kiong as a Director of the Company		
4	Re-election of Mr. San Meng Chee as a Director of the Company		
5	Re-election of Dato' Zamani Bin Kasim as a Director of the Company		
6	Approval of additional Directors' fees of SGD17,062 for the financial year ended 30 June 2016		
7	Approval of Directors' fees amounting to SGD220,000 for the financial year ending 30 June 2017, to be paid quarterly in arrears		
8	Re-appointment of PricewaterhouseCoopers LLP as Auditors of the Company and to authorise the Directors to fix their remuneration		
9	Authority to allot and issue shares under the Share Issue Mandate		
10	Authority to allot and issue shares under the Astaka Share Option Scheme		

*Delete where inapplicable

Dated this___ day of___ 2016

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____

Signature of Shareholder(s)/
and, Common Seal of Corporate Shareholder

PROXY FORM (cont'd)

(Please see notes overleaf before completing this Form)

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. (a) A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act, Cap. 50 of Singapore) is entitled to appoint not more than two proxies to attend, speak and vote on his/her behalf at the AGM. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.

   (b) A member who is a relevant intermediary (as defined in Section 181 of the Companies Act, Cap. 50 of Singapore) who is either:

   (i) A banking corporation licensed under the Banking Act (Cap. 19) or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;

   (ii) a capital markets services licence holder which provides custodial services for securities and holds shares in that capacity; and

   (iii) Central Provident Fund ("CPF") Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased on behalf of CPF investors.

   is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to the shares held by such members. Where such members' form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

3. A proxy need not be a member of the Company.

4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 38 Beach Road, #29-11 South Beach Tower, Singapore 189767 not less than forty-eight (48) hours before the time appointed for the Meeting.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy therefore must be lodged with the instrument.

6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with its Constitution and Section 179 of the Companies Act, Chapter 50 of Singapore.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

MALAYSIA PROPERTY GALLERY

One Bukit Senyum, Jalan Tebrau,
80200 Johor Bahru, Johor, Malaysia.

MALAYSIA OFFICE

No. 22, Jalan Padi Emas 1/4, UDA Business Centre,
81200 Johor Bahru, Johor, Malaysia.

SINGAPORE OFFICE

38 Beach Road, #29-11 South Beach Tower,
Singapore 189767