Unless otherwise stated, all abbreviations contained in this Abridged Prospectus are defined in the Definitions section of this Abridged Prospectus.

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY. If you have sold or transferred all your shares, you should at once hand this Abridged Prospectus together with the NPA and RSF (the Abridged Prospectus, NPA and RSF are collectively referred to as the "**Documents**") to the agent/broker through whom you effected the sale/transfer for onward transmission to the purchaser/transferee. All enquiries concerning the Rights Issue With Warrants should be addressed to our Share Registrar, Sectrars Services Sdn Bhd, at No. 28-1, Jalan Tun Sambanthan 3, Brickfields, 50470 Kuala Lumpur, Malaysia (Tel: +603 2274 6133 Fax: +603 2274 1016).

The Documents, are only to be despatched to our Shareholders whose names appear in our Record of Depositors as at 5.00 p.m. on 30 May 2014 at their registered address in Malaysia or who have provided our Share Registrar with a registered address in Malaysia in writing by 5.00 p.m. on 30 May 2014. The Documents are not intended to (and will not be made to) comply with the laws of any country or jurisdiction other than Malaysia, are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue With Warrants complies with the laws of any country or jurisdiction other than the laws of Malaysia. Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal adviser and other professional advisers as to whether the acceptance or renunciation (as the case may be) of their entitlements to the Rights Shares With Warrants, application for Excess Rights Shares With Warrants, or the subscription, offer, sale, resale, pledge or other transfer of the Rights Shares With Warrants would result in the contravention of any law of such countries or jurisdictions. We, AmInvestment Bank and/or other experts shall not accept any responsibility or liability in the event that any acceptance and/or renunciation (as the case may be) of entitlements, application for Excess Rights Shares With Warrants or the subscription, offer, sale, resale, pledge or other transfer of the Rights Shares with Warrants made by any Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) (if applicable) are residents.

A copy of this Abridged Prospectus has been registered with the Securities Commission Malaysia ("**SC**"). The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue With Warrants or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Abridged Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment. A copy of the Documents has also been lodged with the Registrar Of Companies ("**ROC**") who takes no responsibility for the contents of the Documents.

Approval for the Rights Issue With Warrants has been obtained from our Shareholders at our EGM convened on 8 May 2014. Approval has been obtained from Bursa Malaysia Securities Berhad ("**Bursa Securities**") via its letter dated 27 March 2014 for the admission of the Warrants to the Official List of Bursa Securities and the listing and quotation of the Rights Shares, Warrants and the new Shares to be issued upon the exercise of the Warrants on the Main Market of Bursa Securities. However, this is not an indication that Bursa Securities recommends the Rights Issue With Warrants. The admission of the Warrants to the Official List of Bursa Securities and the listing and quotation of the Rights Shares, Warrants and the new Shares to be issued upon the exercise of the Warrants on the Main Market of Bursa Securities are in no way reflective of the merits of the Rights Issue With Warrants. The admission of the Warrants to the Official List of Bursa Securities and the listing and quotation of the Rights Shares and Warrants will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of successful Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

Our Board has seen and approved the Documents and they, collectively and individually, accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquiries, and to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make any statement in the Documents false or misleading.

AmInvestment Bank, being the Principal Adviser for the Rights Issue With Warrants, acknowledges that, based on all available information and to the best of its knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue With Warrants.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" AS SET OUT IN SECTION 7 OF THIS ABRIDGED PROSPECTUS.

EKOVEST BERHAD

(Company No. 132493-D)
(Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF 244,413,960 NEW ORDINARY SHARES OF RM0.50 EACH (AFTER THE SUBDIVISION OF EVERY ONE (1) EXISTING ORDINARY SHARE OF RM1.00 EACH INTO TWO (2) ORDINARY SHARES OF RM0.50 EACH) IN EKOVEST BERHAD ("EKOVEST SHARES") ("RIGHTS SHARES") TOGETHER WITH 122,206,980 FREE DETACHABLE WARRANTS ("WARRANTS") AT AN ISSUE PRICE OF RM1.00 ON THE BASIS OF TWO (2) RIGHTS SHARES TOGETHER WITH ONE (1) FREE WARRANT FOR EVERY FIVE (5) EXISTING EKOVEST SHARES HELD AT 5.00 P.M. ON 30 MAY 2014

Principal Adviser, Managing Underwriter and Underwriter

AmInvestment Bank

AmInvestment Bank Berhad
Company No. 23742-V
(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIME

Entitlement date	:	Friday, 30 May 2014 at 5.00 p.m.
Last date and time for:		
Sale of Provisional Rights Shares With Warrants	:	Friday, 6 June 2014 at 5.00 p.m.
Transfer of Provisional Rights Shares With Warrants	:	Wednesday, 11 June 2014 at 4.00 p.m.
Acceptance and payment	:	Monday, 16 June 2014 at 5.00 p.m.*
Excess Rights Shares With Warrants Application and payment	:	Monday, 16 June 2014 at 5.00 p.m.*

** Or such later date and time as our Board may decide and announce not less than two (2) Market Days before the stipulated date and time.*

This Abridged Prospectus is dated 30 May 2014

ALL TERMS USED ARE AS DEFINED IN THE "DEFINITIONS" SECTION OF THIS ABRIDGED PROSPECTUS.

THE SECURITIES COMMISSION MALAYSIA ("SC") AND BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON OUR PART AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS ABRIDGED PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS ABRIDGED PROSPECTUS.

SHAREHOLDERS/INVESTORS SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE RIGHTS ISSUE WITH WARRANTS AND ANY INVESTMENT IN OUR COMPANY. IN CONSIDERING THE RIGHTS ISSUE WITH WARRANTS, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

INVESTORS ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS ABRIDGED PROSPECTUS ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CMSA.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE WITH WARRANTS FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

THE DISTRIBUTION OF THE DOCUMENTS IS SUBJECT TO MALAYSIAN LAWS. WE AND OUR ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF OUR SECURITIES BASED ON THE DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. THE DOCUMENTS MAY NOT BE USED FOR AN OFFER TO SELL OR AN INVITATION TO BUY OUR SECURITIES IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA. WE AND OUR ADVISERS REQUIRE YOU TO INFORM YOURSELF OF AND TO OBSERVE SUCH RESTRICTIONS.

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE WITH WARRANTS UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THE DOCUMENTS.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Abridged Prospectus:-

Act	:	Companies Act, 1965 (as amended from time to time and any re-enactment thereof)
Acquisition	:	Acquisition by (a) Wira Kristal of the Balance 30% Interest, (b) ECSB of the 585 Kesturi RPS A and (c) Ekovest of the Kesturi Junior Bonds, from MRCB, to be satisfied in full by the Purchase Consideration
Amendments to M&A	:	Amendments to the M&A of the Company to facilitate the implementation of the Share Split
AmInvestment Bank or **Principal Adviser**	:	AmInvestment Bank Berhad (Company No. 23742-V)
Balance 30% Interest	:	Remaining 30% equity interest in Nuzen, comprising 1,500,000 Nuzen Shares and 13,500,000 Nuzen RPS, not held by Wira Kristal
Balance Purchase Consideration	:	Balance of the Purchase Consideration for the Acquisition
BNM	:	Bank Negara Malaysia
Board	:	The Board of Directors of Ekovest
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (Company No. 165570-W)
Bursa Securities	:	Bursa Malaysia Securities Berhad (Company No. 635998-W)
By-Laws	:	By-Laws governing the ESOS as may be amended, varied or supplemented from time to time
CDS	:	Central Depository System, the system established and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository
CDS Account(s)	:	Account(s) established by Bursa Depository for a depositor for the recording of deposits of securities and dealings in such securities by the depositor
Code	:	The Malaysian Code on Take-Overs and Mergers, 2010 (as amended from time to time)
Concession Agreement	:	Concession agreement dated 12 August 2004 between Kesturi and the Government
Closing Date	:	16 June 2014 at 5.00 p.m., being the last date and time for the acceptance and payment for the Rights Shares with Warrants or such later date and time as the Board may decide and announce not less than two (2) Market Days before the stipulated date and time
CMSA	:	Capital Markets and Services Act, 2007 (as amended from time to time and any re-enactment thereof)
Dato' Haris	:	Dato' Haris Onn Bin Hussein

Deed Poll	:	The deed poll dated 16 May 2014 governing the Warrants
Documents	:	This Abridged Prospectus, NPA and RSF, collectively
DUKE	:	Duta-Ulu Kelang Expressway, a toll road within the Federal Territory of Kuala Lumpur
DUKE Phase-2	:	The extension of the DUKE pursuant to the Supplemental Concession Agreement
EBITDA	:	Earnings before interest, tax, depreciation and amortisation
ECSB	:	Ekovest Construction Sdn Bhd (Company No. 251734-T)
EHSB	:	Ekovest Holdings Sdn Bhd (Company No. 221954-M)
EGM	:	Extraordinary General Meeting
EkoCheras	:	Ekovest Group's on-going property development project in Cheras, Kuala Lumpur
Ekovest or **Company**	:	Ekovest Berhad (Company No. 132493-D)
Ekovest Group or **Group**	:	Ekovest and its subsidiaries
Ekovest Share(s) or **Share(s)**	:	Ordinary share(s) in Ekovest of RM0.50 each (after the Share Split)
Eligible Persons	:	Eligible employees and Directors of Ekovest Group who meet the eligibility criteria to participate in the ESOS
Entitled Shareholders	:	Shareholders whose names appear in the Record of Depositors of the Company as at the close of business on the Rights Issue Entitlement Date
EPS	:	Earnings per share
ESOS	:	Establishment of an employees' share option scheme of up to fifteen percent (15%) of the issued and paid-up share capital of the Company at any point in time during the duration of the ESOS
ESOS Committee	:	The committee to be appointed by the Board to administer the ESOS in accordance with the By-Laws
ESOS Options	:	Option(s) awarded under the ESOS that is/are only exercisable pursuant to the provisions of the By-Laws
Excess Rights Shares With Warrants	:	Rights Shares with Warrants which are not taken up or not validly taken up by Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) (if applicable) prior to the Closing Date
Excess Rights Shares With Warrants Application(s)	:	Application(s) for additional Rights Shares with Warrants in excess of the Provisional Rights Shares With Warrants as set out in Section 4.6 of this Abridged Prospectus
Exercising Warrant Holders	:	Warrant holders who exercise their Warrants

DEFINITIONS (CONT'D)

Foreign-Addressed Shareholders	:	Shareholders who have not provided an address in Malaysia for the service of documents which will be issued in connection with the Rights Issue With Warrants
Full Subscription Level	:	Full subscription for 244,413,960 Rights Shares under the Rights Issue With Warrants
FPE	:	Financial period ended
FYE	:	Financial year(s) ended / ending, as the case may be
GDP	:	Gross domestic product
GDV	:	Gross development value
Government	:	Government of Malaysia
GP	:	Gross profit
IMTNs	:	Islamic Medium Term Notes under the Shariah principle of Musharakah
Kesturi	:	Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd (Company No. 539274-U)
Kesturi Junior Bonds	:	RM54.0 million in nominal value of redeemable secured junior bonds issued by Kesturi
Kesturi RPS	:	Redeemable preference shares of RM1.00 each in Kesturi
Kesturi RPS A	:	Redeemable preference shares Series A of RM1.00 each in Kesturi
LAT	:	Loss after taxation
LBT	:	Loss before taxation
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities (as amended from time to time)
LPD	:	7 May 2014, being the latest practicable date prior to the printing of this Abridged Prospectus
LSHH	:	Lim Seong Hai Holdings Sdn Bhd (Company No. 452251-V)
M&A	:	Memorandum and Articles of Association
Market Day	:	A day between Monday and Friday (inclusive) which is not a public holiday and when Bursa Securities is opened for trading in securities
MRCB or Vendor	:	Malaysian Resources Corporation Berhad (Company No. 7994-D)
NA	:	Net assets
NL	:	Net liabilities
NPA	:	Notice of provisional allotment in relation to the Rights Issue With Warrants

DEFINITIONS (CONT'D)

Nuzen	:	Nuzen Corporation Sdn Bhd (Company No. 486730-P)
Nuzen Group	:	Nuzen and its subsidiary, namely Kesturi
Nuzen RPS	:	Redeemable preference shares of RM1.00 each in Nuzen
Nuzen Shares	:	Ordinary shares of RM1.00 each in Nuzen
PBT	:	Profit before tax
PAT	:	Profit after tax
Previous Wira Kristal Shareholders	:	TSDLKH and Dato' Haris, collectively
Proposals	:	Collectively, the Acquisition, Share Split, Rights Issue With Warrants, ESOS and Amendments to M&A
Provisional Rights Shares With Warrants	:	Rights Shares with Warrants provisionally allotted to Entitled Shareholders
Purchase Consideration	:	The total purchase consideration of RM228.0 million payable in cash by the Purchasers pursuant to the Acquisition comprising the following:- (i) RM74.25 million for the Balance 30% Interest; (ii) RM99.75 million for 585 Kesturi RPS A; and (iii) RM54.00 million for Kesturi Junior Bonds.
Purchasers	:	Wira Kristal, ECSB and Ekovest, collectively
Record of Depositors	:	A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
Rights Issue Entitlement Date	:	5.00 p.m. on 30 May 2014
Rights Issue With Warrants	:	Renounceable rights issue of 244,413,960 Rights Shares together with 122,206,980 Warrants at an issue price of RM1.00 on the basis of two (2) Rights Shares together with one (1) free Warrant for every five (5) existing Ekovest Shares held after the Share Split on the Rights Issue Entitlement Date
Rights Shares	:	New Ekovest Shares to be allotted and issued pursuant to the Rights Issue With Warrants
RM and **sen**	:	Ringgit Malaysia and sen respectively
RSF	:	Rights subscription form in relation to the Rights Issue With Warrants
Rules of Bursa Depository	:	The rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act, 1991 including any amendments thereof issued by Bursa Depository from time to time
Sale Shares	:	Balance 30% Interest and 585 Kesturi RPS A, collectively held by MRCB

DEFINITIONS (CONT'D)

Share Exchange	:	Transfer of 100% of the ordinary shares of RM1.00 each in Wira Kristal from Previous Wira Kristal Shareholders to Ekovest in exchange for a total consideration of RM325.68 million satisfied via the issuance 126,723,735 new ordinary shares of RM1.00 each in Ekovest
Shareholders	:	Registered holders of Ekovest Shares
Share Registrar	:	Sectrars Services Sdn Bhd (Company No. 92781-X)
Share Split	:	The subdivision of every one (1) existing ordinary share of RM1.00 each in Ekovest held on the Share Split Entitlement Date into two (2) Ekovest Shares
Share Split Entitlement Date	:	5.00 p.m. on 30 May 2014
SICDA	:	Securities Industry (Central Depositories) Act, 1991, including Securities Industry (Central Depositories) Amendment Act, 1998 (as amended from time to time and any re-enactment thereof)
SSA	:	Conditional share sale agreement dated 29 January 2014 entered into between the Purchasers and MRCB for the purpose of the Acquisition
State Authority	:	As defined in the Land Acquisition Act, 1960
Sukukholders	:	Holders of IMTNs of up to RM2,300 million in nominal value issued by Kesturi
Supplemental Concession Agreement	:	Supplemental concession agreement dated 3 December 2012 entered into between Kesturi and the Government in relation to the DUKE Phase-2
TEAP	:	Theoretical ex-all price
TSDLKH	:	Tan Sri Dato' Lim Kang Hoo
Undertakings	:	The irrevocable undertakings from the Undertaking Shareholders dated 25 February 2014 to subscribe in full for its/their respective entitlements under the Rights Issue With Warrants
Undertaking Shareholders	:	Substantial shareholders of Ekovest which provided the Undertakings, namely Kota Jayasama Sdn Bhd, TSDLKH, EHSB, LSHH and Fablelite Sdn Bhd
USD	:	United States Dollar
VWAP	:	Volume-weighted average market price
Warrants	:	Free new detachable warrants in Ekovest to be allotted and issued pursuant to the Rights Issue With Warrants
Wira Kristal	:	Wira Kristal Sdn Bhd (Company No. 254084-X)
YoY	:	Year on year

DEFINITIONS (CONT'D)

Any references to "**our Company**" or "**Ekovest**" in this Abridged Prospectus are to Ekovest Berhad, and references to "**our Group**" or "**Ekovest Group**" are to our Company and subsidiaries. References to "**we**", "**us**", "**our**" and "**ourselves**" are to our Company and, where the context otherwise requires, our subsidiaries.

All references to "**you**" in this Abridged Prospectus are to Entitled Shareholders.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporations.

Any reference in this Abridged Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any discrepancies in the tables included in this Abridged Prospectus between the amounts listed, actual figures and the totals thereof are due to rounding.

Any reference to a time of day in this Abridged Prospectus shall be a reference to Malaysian time, unless otherwise stated.

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APPENDICES

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CORPORATE DIRECTORY

EKOVEST BERHAD
(Company No. 132493-D)
(Incorporated in Malaysia under the Companies Act, 1965)

BOARD OF DIRECTORS

Name *(Designation)*	Address	Nationality	Profession
Tan Sri Dato' Lim Kang Hoo *(Executive Chairman)*	7, Jalan Titiwangsa, Setapak, 53200 Kuala Lumpur	Malaysian	Company Director
Datuk Lim Keng Cheng *(Managing Director)*	No. 229-A, Batu 4, Jalan Gombak, 53000 Kuala Lumpur	Malaysian	Company Director
Khoo Nang Seng @ Khoo Nam Seng *(Executive Director)*	15, Jalan Tasek, Taman Tasek, 80200 Johor Bahru, Johor	Malaysian	Company Director
Lim Hoe *(Executive Director)*	284-06-01, The Heritage Condominium, 3 1/2 Miles, Jalan Pahang Off Jalan Setapak, 53000 Kuala Lumpur	Malaysian	Company Director
Kang Hui Ling *(Senior Independent & Non-Executive Director)*	TA-05-01, Crystal Tower, Cangkat Bukit Indah 2, Bukit Indah, 68000 Ampang, Selangor	Malaysian	Company Director
Lim Ts-Fei *(Independent & Non-Executive Director)*	135, Jalan Hujan Manik, Taman Overseas Union, Jalan Klang Lama, 58200 Kuala Lumpur	Malaysian	Advocate & Solicitor
Dr. Wong Kai Fatt *(Independent & Non-Executive Director)*	16, Jalan 17/35, Taman Tan Sri Lee Yan Lian, 46400 Petaling Jaya, Selangor	Malaysian	General Medical Practitioner
Chow Yoon Sam *(Independent & Non-Executive Director)*	No. 23, Jalan SS 3/78, 47300 Petaling Jaya, Selangor	Malaysian	Company Director
Lee Wai Kuen *(Independent & Non-Executive Director)*	No. 10, Jalan Midah 7, Taman Midah, 56000 Kuala Lumpur	Malaysian	Company Director
Lim Chen Herng *(Alternate Director to Tan Sri Dato' Lim Kang Hoo)*	7, Jalan Titiwangsa, Setapak, 53200 Kuala Lumpur	Malaysian	Company Director
Lim Ding Shyong *(Alternate Director to Datuk Lim Keng Cheng)*	No.1, Jalan Air Molek Satu, Taman Tasik Titiwangsa, 53200 Kuala Lumpur	Malaysian	Company Director

CORPORATE DIRECTORY (CONT'D)

Name *(Designation)*	Address	Nationality	Profession
Wong Khai Shiang *(Alternate Director to Lim Hoe)*	No. 11, Jalan Bunga Rampai, Taman P. Ramlee, 53000 Kuala Lumpur	Malaysian	Company Director

AUDIT COMMITTEE

Name	Designation	Directorship
Kang Hui Ling	Chairman	Senior Independent & Non-Executive Director
Lim Ts-Fei	Member	Independent & Non-Executive Director
Dr. Wong Kai Fatt	Member	Independent & Non-Executive Director
Chow Yoon Sam	Member	Independent & Non-Executive Director
Lee Wai Kuen	Member	Independent & Non-Executive Director

COMPANY SECRETARY : Lim Thiam Wah ACIS (MAICSA No. 7000553)
28-2A, Jalan Bunga Melati,
Setapak,
53000 Kuala Lumpur

REGISTERED OFFICE AND HEAD OFFICE : Ground Floor, Wisma Ekovest,
No, 118, Jalan Gombak,
53000 Kuala Lumpur
Tel : 03-4021 5948
Fax : 03-4021 4027
Website: www.ekovest.com.my
(Information in our website does not constitute any part of this Abridged Prospectus)

AUDITORS AND REPORTING ACCOUNTANTS : Mazars (AF: 1954)
Wisma Selangor Dredging,
7th Floor, South Block,
142-A Jalan Ampang,
50450 Kuala Lumpur
Tel : 03-2161 5222
Fax: 03-2161 3909

SOLICITORS FOR THE RIGHTS ISSUE WITH WARRANTS : Teh & Lee
Advocates & Solicitors
A-3-3 & A-3-4, Northpoint Offices, Mid Valley City,
No.1, Medan Syed Putra Utara,
59200 Kuala Lumpur
Tel : 03-2283 2800
Fax: 03-2283 2500

CORPORATE DIRECTORY (CONT'D)

PRINCIPAL BANKERS	:	Hong Leong Bank Berhad Level 5, Wisma Hong Leong, 18, Jalan Perak, 50450 Kuala Lumpur Tel : 03-2180 8888 Fax: 03-2161 4457
	:	AmBank (M) Berhad Level 22, Bangunan AmBank Group, 55, Jalan Raja Chulan, 50200 Kuala Lumpur Tel : 03-2036 2633 Fax: 03-2078 2842
	:	Public Bank Berhad Menara Public Bank, 146, Jalan Ampang, 50450 Kuala Lumpur Tel : 03-2176 6000 Fax: 03-2163 9917
	:	Malayan Banking Berhad Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur Tel : 03-2070 8833 Fax: 03-2070 7298
SHARE REGISTRAR	:	Sectrars Services Sdn Bhd, No. 28-1, Jalan Tun Sambanthan 3, Brickfields, 50470 Kuala Lumpur Tel : 03 2274 6133 Fax: 03 2274 1016
PRINCIPAL ADVISER, MANAGING UNDERWRITER AND UNDERWRITER	:	AmInvestment Bank Berhad 22nd Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel : 03 2036 2633 Fax: 03-2078 2842
STOCK EXCHANGE LISTED AND LISTING SOUGHT	:	Main Market of Bursa Securities

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EKOVEST BERHAD

(Company No. 132493-D)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office:

Ground Floor, Wisma Ekovest
No. 118 Jalan Gombak
53000 Kuala Lumpur

30 May 2014

Board of Directors:

Tan Sri Dato' Lim Kang Hoo *(Executive Chairman)*
Datuk Lim Keng Cheng *(Managing Director)*
Khoo Nang Seng @ Khoo Nam Seng *(Executive Director)*
Lim Hoe *(Executive Director)*
Kang Hui Ling *(Senior Independent & Non-Executive Director)*
Lim Ts-Fei *(Independent & Non-Executive Director)*
Dr. Wong Kai Fatt *(Independent & Non-Executive Director)*
Chow Yoon Sam *(Independent & Non-Executive Director)*
Lee Wai Kuen *(Independent & Non-Executive Director)*
Lim Chen Herng *(Alternate Director to Tan Sri Dato' Lim Kang Hoo)*
Lim Ding Shyong *(Alternate Director to Datuk Lim Keng Cheng)*
Wong Khai Shiang *(Alternate Director to Lim Hoe)*

To: Entitled Shareholders

Dear Sir/Madam,

RENOUNCEABLE RIGHTS ISSUE OF 244,413,960 RIGHTS SHARES TOGETHER WITH 122,206,980 WARRANTS AT AN ISSUE PRICE OF RM1.00 ON THE BASIS OF TWO (2) RIGHTS SHARES TOGETHER WITH ONE (1) FREE WARRANT FOR EVERY FIVE (5) EXISTING EKOVEST SHARES HELD AT 5.00 P.M. ON 30 May 2014

1. INTRODUCTION

Our Board is pleased to inform you that at our EGM convened on 8 May 2014, our Shareholders had approved, amongst others, the Rights Issue With Warrants and the Share Split. A certified true extract of the ordinary resolution pertaining to the Rights Issue With Warrants which was passed at the said EGM is set out in Appendix I of this Abridged Prospectus.

On 28 March 2014, AmInvestment Bank had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 27 March 2014, granted its approval for the:-

(i) Share Split;

(ii) Listing of such number of new ordinary shares in Ekovest representing up to 15% of the issued and paid-up share capital of the Company (excluding treasury shares) pursuant to the ESOS;

(iii) In the event the Share Split takes place before the Rights Issue With Warrants is implemented:-

(a) Up to 244,413,960 new Ekovest Shares to be issued pursuant to the Rights Issue With Warrants;

(b) Admission to the Official List of Bursa Securities and the listing and quotation of up to 122,206,980 Warrants to be issued pursuant to the Rights Issue With Warrants; and

(c) Listing of up to 122,206,980 new Ekovest Shares to be issued pursuant to exercise of Warrants,

(iv) In the event the Share Split is not implemented:-

(a) Up to 122,206,980 new ordinary shares of RM1.00 each in Ekovest to be issued pursuant to the Rights Issue With Warrants;

(b) Admission to the Official List of Bursa Securities and the listing and quotation of up to 61,103,490 Warrants to be issued pursuant to the Rights Issue With Warrants; and

(c) Listing of up to 61,103,490 new ordinary shares of RM1.00 each in Ekovest to be issued pursuant to exercise of Warrants,

on the Main Market of Bursa Securities, subject to the following conditions:-

Details of conditions imposed		Status of compliance
(i)	Our Company and AmInvestment Bank must fully comply with the relevant provisions under the Listing Requirements pertaining to implementation of the Proposals;	Met / To be met, where applicable
(ii)	Our Company and AmInvestment Bank to inform Bursa Securities upon completion of the Proposals;	To be met
(iii)	Our Company is to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposals is completed;	To be met
(iv)	Our Company is to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to exercise of Warrants and ESOS as at the end of each quarter together with a detailed computation of listing fees payable;	To be met
(v)	Our Company and AmInvestment Bank are to make the relevant announcements pursuant to Paragraph 13.10(2) of the Listing Requirements pursuant to the Share Split;	To be met
(vi)	AmInvestment Bank is to submit a confirmation to Bursa Securities of full compliance of the ESOS pursuant to Paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation; and	To be met
(vii)	To provide Bursa Securities with a certified true copy of the resolution passed by Shareholders at the EGM for the Proposals.	Met

On 16 May 2014 , AmInvestment Bank had, on behalf of our Board, announced that the issue price of the Rights Shares is fixed at RM1.00 per Rights Share and the exercise price of the Warrants is fixed at RM1.35 per Warrant.

On 16 May 2014, AmInvestment Bank had, on behalf of our Board, announced that the Rights Issue Entitlement Date has been fixed at 5.00 p.m. on 30 May 2014.

Save for the Proposals, our Board has confirmed that as at the LPD, our Company does not have any other intended corporate proposals which have been approved by regulatory authorities which is pending implementation.

No person is authorised to give any information or make any representation not contained in this Abridged Prospectus, the announcements and circular to shareholders in relation to the Rights Issue With Warrants and if given or made, such information or representation must not be relied upon as having been authorised by AmInvestment Bank or us in connection with the Rights Issue With Warrants.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

2. DETAILS OF THE RIGHTS ISSUE WITH WARRANTS

2.1 Particulars of the Rights Issue With Warrants

The Rights Issue With Warrants entails a renounceable rights issue of 244,413,960 Rights Shares together with 122,206,980 free Warrants to Entitled Shareholders at an issue price of RM1.00 per Rights Share on a renounceable basis of two (2) Rights Shares together with one (1) free Warrant for every five (5) Ekovest Shares held after the Share Split on the Rights Issue Entitlement Date.

For information purposes, the Share Split entails the subdivision of every one (1) existing ordinary share of RM1.00 each in Ekovest held on the Share Split Entitlement Date into two (2) new Ekovest Shares. As at the LPD, the issued and paid-up share capital of Ekovest is RM305,517,450 comprising 305,517,450 ordinary shares of RM1.00 each. Accordingly, upon completion of the Share Split, the issued and paid-up share capital of Ekovest will be RM305,517,450 comprising 611,034,900 Ekovest Shares. For the avoidance of doubt, the subdivided shares will be entitled to the Rights Issue With Warrants, as applicable.

In accordance with the terms of the Rights Issue With Warrants as approved by the relevant authorities and our Shareholders and subject to the terms of this Abridged Prospectus and the accompanying documents, our Company shall provisionally allot 244,413,960 Rights Shares together with 122,206,980 free Warrants to Entitled Shareholders on the basis of two (2) Rights Shares and one (1) free Warrant for every five (5) existing Ekovest Shares held after the Share Split on the Rights Issue Entitlement Date.

As the Rights Shares and Warrants are prescribed securities, the respective CDS Accounts of Entitled Shareholders will be duly credited with the number of Provisional Rights Shares With Warrants which they are entitled to subscribe for in full or in part under the terms of the Rights Issue With Warrants. Entitled Shareholders will find enclosed in this Abridged Prospectus, the NPA notifying Entitled Shareholders of the crediting of such securities into their respective CDS Accounts and the RSF to enable Entitled Shareholders to subscribe for the Provisional Rights Shares With Warrants as well as to apply for Excess Rights Shares With Warrants if Entitled Shareholders so choose to. However, only Entitled Shareholders who have an address in Malaysia as stated in our Record of Depositors or who have provided our Share Registrar with an address in Malaysia in writing by the Rights Issue Entitlement Date will receive this Abridged Prospectus, together with the NPA and RSF.

The Entitled Shareholders can fully or partially renounce their entitlements for the Rights Shares together with the Warrants. Accordingly, the Entitled Shareholders can subscribe for and/or renounce their entitlements to the Proposed Rights Issue With Warrants in full or in part. Should the Entitled Shareholders renounce all of their Rights Shares entitlements under the Rights Issue With Warrants, they shall be deemed to have renounced the accompanying entitlement to the Warrants to be issued together with the Rights Shares. However, if the Entitled Shareholders accept only part of their Rights Shares entitlement under the Rights Issue With Warrants, they shall be entitled to the Warrants in the proportion of their acceptance of the Rights Shares entitlement.

Any dealings in our securities will be subject to, amongst others, the provisions of the SICDA, the Rules of Bursa Depository and any other relevant legislation. Accordingly, the Rights Shares, Warrants and the new Ekovest Shares to be issued and allotted upon the exercise of the Warrants will be credited directly into the respective CDS Accounts of successful applicants and Exercising Warrant Holders (as the case may be). No physical share certificates or warrant certificates will be issued.

Any Rights Shares with Warrants which are not taken up or not validly taken up by Entitled Shareholders and/or their transferee(s) and/or their renouncee(s), if applicable, shall be made available for Excess Rights Shares With Warrants Application. It is the intention of our Board to allot the Excess Rights Shares With Warrants, if any, on a fair and equitable basis and in the following priority:-

(i) firstly, to minimise the incidence of odd lots;

(ii) secondly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares With Warrants on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at the Rights Issue Entitlement Date;

(iii) thirdly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares With Warrants on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares With Warrants Application; and

(iv) fourthly, the remaining balance (if any) for allocation to transferee(s) and/or renouncee(s) (if applicable), who have applied for Excess Rights Shares With Warrants on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares With Warrants Application.

Nevertheless, our Board reserves the right to allot any Excess Rights Shares With Warrants applied for under the RSF in such manner as it deems fit and expedient and in the best interest of our Company subject always to such allocation being made on a fair and equitable basis and that the intention of our Board set out above is achieved. Our Board also reserves the right to accept any Excess Rights Shares With Warrants Application, in full or in part, without assigning any reason. In determining Shareholders' entitlements under the Rights Issue With Warrants, fractional entitlements, if any, shall be disregarded and dealt with in such manner as our Board in its absolute discretion deems fit or expedient or in the best interests of our Company.

If you wish to accept the Provisional Rights Shares With Warrants (in full or in part) as specified in the NPA and/or apply for the Excess Rights Shares With Warrants, you may do so by completing the RSF.

Notices of allotment will be despatched to Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) (if applicable) within eight (8) Market Days from the last date for acceptance and payment of the Rights Shares with Warrants or such other period as may be prescribed by Bursa Securities.

The Warrants will be admitted to the Official List of Bursa Securities and the listing and quotation of the Rights Shares and Warrants will commence two (2) Market Days upon the receipt of an application for quotation of the Rights Shares and Warrants by Bursa Securities as specified under the Listing Requirements, which will include *inter-alia*, confirmation that all notices of allotment have been despatched to successful applicants, and after receipt of confirmation from Bursa Depository that all CDS Accounts of successful applicants have been duly credited.

The Warrants will be issued together with the Rights Shares to Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) who have successfully subscribed for the Rights Issue With Warrants at no cost. The Warrants will be detached from the Rights Shares immediately upon issuance and traded separately on Bursa Securities. Successful applicants who subscribe for two (2) Rights Shares will be entitled to one (1) Warrant, which is exercisable into one (1) new Ekovest Share.

Notices of allotment will be despatched to the Exercising Warrant Holders within eight (8) Market Days after the date of receipt of the exercise form together with the requisite payment.

If you do not wish to participate in the Rights Issue With Warrants, you do not need to take any action.

You should read this Abridged Prospectus in its entirety before making a decision.

2.2 Rationale for the Rights Issue With Warrants

The rationale of the Rights Issue With Warrants is as follows:-

(i) to raise funds which will be utilised to *inter-alia* satisfy the Balance Purchase Consideration for the Acquisition as set out in Section 5 below. Our Board proposes to fund the Acquisition via the Rights Issue With Warrants as opposed to via bank borrowings in order to avoid substantial interest expenses; and

(ii) to increase shareholders' funds and hence reduce gearing levels of our Group.

After due consideration of various methods of fund raising, our Board is of the opinion that raising funds by way of the Rights Issue With Warrants is most suitable due to the following reasons:-

(i) the Rights Issue With Warrants will provide you an opportunity to further increase your equity participation in our Company via the issuance of new Ekovest Shares at a discount to the prevailing market price, without diluting your existing interest, assuming that all Entitled Shareholders fully subscribe for their respective entitlements pursuant to the Rights Issue With Warrants; and

(ii) the Rights Issue With Warrants will increase our Group's shareholders' funds, strengthen our Group's capital base, and enhance our Group's cash flow position.

The Warrants which are attached to the Rights Shares are intended to provide an added incentive to the Entitled Shareholders to subscribe for the Rights Shares. The Warrants will allow you to increase your equity participation in our Company at a predetermined price over the tenure of the Warrants. In addition, upon exercise of the Warrants (if any), our Company will obtain additional proceeds to finance future working capital requirements, while strengthening our Company's capital base, improving gearing levels as well as potentially increasing the liquidity of Ekovest Shares.

2.3 Basis of determining the issue price of the Rights Shares and the exercise price of the Warrants

Our Board had fixed the issue price of the Rights Shares at RM1.00 per Rights Share and the exercise price of the Warrants at RM1.35 each on 16 May 2014.

The issue price of RM1.00 per Rights Share was arrived at after taking into consideration amongst others, the TEAP of Ekovest Shares of RM1.2175 (after adjusting for the Share Split) based on the five (5)-day VWAP up to and including 15 May 2014 (being the last Market Day prior to the price-fixing date) of RM2.609 (the theoretical share price after the Share Split amounts to RM1.3045), the prevailing market conditions, the current and future prospects of our Group as well as our historical share price movement *vis-a-vis* the funding requirements of our Group.

The exercise price of the Warrants of RM1.35 was determined after taking into consideration the future prospects of our Group.

The issue price of RM1.00 per Rights Share represents a discount of approximately 17.9%, while the exercise price of the Warrants RM1.35 represents a premium of approximately 10.9%, from the abovementioned TEAP.

Entitled Shareholders and/or their transferee(s) and/or their renouncee(s), if applicable, should note that the market price for our Shares is subject to occurrence of market forces and other uncertainties in addition to the risk factors set out in Section 7 of this Abridged Prospectus, which may affect the price of our Shares being traded. Entitled Shareholders and/or their transferee(s) and/or their renouncee(s), if applicable, should form their own views on the valuation of the Rights Shares and Warrants before deciding to invest in the Rights Shares and Warrants.

2.4 Ranking of the Rights Shares and new Shares arising from the exercise of the Warrants

The Rights Shares and new Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank *pari passu* in all respects with the then existing Ekovest Shares except that they shall not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid to Shareholders, the entitlement date of which is prior to the date of allotment of the said securities.

2.5 Last date and time for acceptance and payment

The Closing Date is **5.00 p.m.** on **Monday, 16 June 2014**, or such later date and time as our Board may decide and announce not less than two (2) Market Days before the aforesaid date and time. Nevertheless, our Board may decide on and announce an extension to the Closing Date not less than two (2) Market Days before the stipulated date and time.

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2.6 Salient terms of the Warrants

The salient terms of the Warrants to be issued pursuant to the Rights Issue With Warrants are set out below:-

Number of Warrants	:	122,206,980 Warrants. The number of Warrants may be subject to adjustments under certain circumstances in accordance with the provisions of the Deed Poll.
Form and detachability	:	The Warrants will be issued in registered form and will immediately be detached from the Rights Shares upon allotment and issuance and separately traded on Bursa Securities.
Issue price of Warrants	:	The Warrants are to be issued free to the Entitled Shareholders and/or renouncees who subscribe to the Rights Shares on the basis of one (1) free Warrant for every two (2) Rights Shares.
Board Lot	:	For the purposes of trading on Bursa Securities, a board lot of Warrants will be in 100 units, unless otherwise revised by the relevant authorities.
Listing	:	An application will be made to Bursa Securities for the admission of, the listing of and quotation for the Warrants and the listing and quotation of the new Ekovest Shares to be issued pursuant to the exercise of the Warrants on the Official List of the Bursa Securities.
Tenure of Warrants	:	Five (5) years from the date of issuance of the Warrants.
Exercise Price	:	The exercise price of the Warrants has been fixed at RM1.35 per Warrant. The exercise price and/or the number of Warrants in issue during the Exercise Period may also be adjusted in accordance with the terms and conditions set out in the Deed Poll.
Exercise Period	:	The Warrants may be exercised at any time on and including the date of issue of the Warrants respectively to the close of business at 5.00 p.m. on the business day immediately preceding the date which is the fifth (5^{th}) anniversary from the date of issue. Any Warrants not exercised during the Exercise Period will thereafter lapse and cease to be valid.
Mode of Exercise	:	The registered holder of the Warrants shall pay by way of banker's draft or cashier's order or money order or postal order drawn on a bank or post office in Malaysia for the aggregate Exercise Price payable when exercising the Warrants and subscribing for new Ekovest Shares.
Exercise Rights	:	Each Warrant carries the entitlement, at any time during the Exercise Period, to subscribe for one (1) new Ekovest Share at the Exercise Price, subject to adjustments in accordance with the provisions of the Deed Poll.

Voting Rights	:	The Warrants do not entitle the registered holders thereof to any voting rights in any general meeting of the Company until and unless such holders of the Warrants exercise their Warrants for new Ekovest Shares.
Status of new Ekovest Shares to be issued pursuant to the exercise of the Warrants	:	The new Ekovest Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank *pari passu* in all respects with the then existing ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the allotment date of the new Ekovest Shares to be issued arising from the exercise of the Warrants.
Adjustments to the final Exercise Price and/or the number of the Warrants	:	The Exercise Price and/or the number of Warrants in issue may be subject to adjustments in the event of any alteration in the share capital of the Company at any time during the tenure of the Warrants, whether by way of, amongst others, rights issue, bonus issue, consolidation of shares, subdivision of shares or reduction of capital, in accordance with the provisions of the Deed Poll.
Rights in the event of winding up, liquidation, compromise and/or arrangement	:	(a) Where a resolution has been passed for a members' voluntary winding up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with (1) one or more companies, then for the purposes of such winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) to which the holder of the Warrants (or some person designated by them for such purpose by special resolution) shall be a party, the terms of such winding-up, compromise and arrangement shall be binding on all the holders of the Warrants; (b) In the event a notice is given by the Company to its Shareholders to convene a general meeting for the purpose of considering, and if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall on the same date or soon after it despatches such notice to its Shareholders, give notice thereof to all holders of the Warrants. Every holder of the Warrants shall thereupon be entitled, subject to the conditions set out in the Deed Poll, to exercise his Warrants at any time not more than 21 days prior to the proposed general meeting of the Company by submitting the subscription form (by irrevocable surrender of his Warrants to the Company) duly completed authorising the debiting of his Warrants together with payment of the relevant Exercise Price, whereupon the Company shall as soon as possible but in any event prior to the date of the general meeting, allot the relevant Ekovest Shares to the holder of the said Warrants credited as fully paid subject to the prevailing laws.

		Subject to the above, if the Company is wound-up or an order has been granted for such compromise or arrangement, all Exercise Rights which are not exercised prior to the passing of the resolution for winding-up or the granting of the court order approving the winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which Company is the continuing corporation), shall lapse and the Warrants will cease to be valid for any purpose.
Transferability	:	The Warrants shall be transferable in the manner provided under the Securities Industry (Central Depositories) Act, 1991 of Malaysia and the Rules of Bursa Malaysia Depository Sdn Bhd.
Deed Poll	:	The Warrants will be constituted under a deed poll executed by the Company.
Governing Law	:	The Warrants and the Deed Poll shall be governed by the laws of Malaysia.

3. DETAILS OF THE ACQUISITION

Our Company had on 30 January 2012 entered into a share exchange agreement and on 25 January 2013 entered into a restated share exchange agreement with the Previous Wira Kristal Shareholders for the Share Exchange. Wira Kristal holds 70% of the Nuzen Shares and Nuzen RPS with the balance being held by MRCB.

Pursuant to the completion of the Share Exchange on 9 May 2013, our Group now proposes to acquire the following:-

(i) Balance 30% Interest for a cash purchase consideration of RM74.25 million;

(ii) Kesturi RPS A for a cash purchase consideration of RM99.75 million; and

(iii) Kesturi Junior Bonds for a cash purchase consideration of RM54.00 million,

from MRCB. The SSA had been entered into between Wira Kristal, ECSB, Ekovest and MRCB on 29 January 2014 for the aforementioned Acquisition.

3.1 Basis and justification of arriving at the Purchase Consideration

The Purchase Consideration of RM228.0 million was arrived at on a willing-buyer willing-seller basis after taking into consideration inter-alia the following:-

(i) the financial projection of Kesturi (excluding the financial projection of DUKE Phase-2) prepared by the management of Kesturi and the indicative valuation of the entire equity interest in Kesturi ranging between RM536.03 million to RM585.93 million derived using the discounted cash flow approach. For avoidance of doubt, the above indicative valuation was considered whilst taking into account that the Acquisition only involves the acquisition of the remaining 30% equity interest in Nuzen not held by Wira Kristal;

(ii) the NL of Nuzen (after deducting the cost of investment in Kesturi) at book value of RM231,321 (based on the audited financial statements for the FYE 31 December 2012) and RM233,432 (based on the unaudited financial statements for the FYE 31 December 2013) respectively;

(iii) the outstanding 585 Kesturi RPS A amounting to RM58.5 million and RM54.0 million in nominal value Kesturi Junior Bonds held by MRCB; and

(iv) the intention of MRCB to dispose of its stake on the basis of the existing DUKE and does not take into consideration the potential benefits arising from the DUKE Phase-2.

The Acquisition is an extension of the Share Exchange to allow our Group to fully consolidate our stake in Nuzen. The purchase consideration for the Balance 30% Interest of RM74.25 million is lower than the valuation range ascribed for the Nuzen Group of between RM160.7 million and RM175.7 million (calculated based on a 30% equity interest in Nuzen) as the Acquisition only involves the acquisition of 30% equity interest as compared to 70% equity interest during the Share Exchange.

Further, the Purchase Consideration was determined in entirety, taking into consideration the Kesturi RPS A, together with its accrued interest as well as the Kesturi Junior Bonds, wherein the consideration is based on nominal value.

3.2 Source of funding

The Acquisition is to be financed via internally generated funds and the proceeds from the Rights Issue With Warrants.

At this juncture, our Company intends to utilise RM205.2 million of the proceeds from the Rights Issue With Warrants to satisfy the Balance Purchase Consideration (as set out in Section 5) while the RM22.8 million deposit was paid via internally generated funds. However, in the event that the Acquisition is not completed for any reason, the allocation earmarked for the settlement for the Balance Purchase Consideration will be utilised to defray the development cost of the EkoCheras development project.

3.3 Salient terms of SSA

3.3.1 Conditions precedent

(i) The Government's written approval(s) for the disposal of the Sale Shares by the Vendor and the acquisition of the Sale Shares by the Purchasers, in accordance with the provisions of the Concession Agreement and Supplemental Concession Agreement, which had been obtained on 5 May 2014. For information purposes, the disposal of the Kesturi Junior Bonds by the Vendor is not subject to the approval of the Government;

(ii) CIMB Commerce Trustee Berhad's ("**CCTB**") (as trustee for and on behalf of the holders of the Kesturi Junior Bonds and Sukukholders) written consent for the sale, assignment, transfer and conveyance of the Sale Shares and Kesturi Junior Bonds by the Vendor to the Purchasers together with all the Vendor's rights, title, benefits and interests in and to the same, pursuant to the deed of undertaking dated 20 November 2013 between MRCB, Nuzen, Ekovest, Kesturi and CCTB and the trust deed dated 20 November 2013 between Kesturi and CCTB in relation to the IMTNs of up to RM2,300 million in nominal value issued by Kesturi, which had been obtained on 25 March 2014;

(iii) Bursa Securities' final, written approval for the admission, listing and quotation (as applicable) of the securities under the Rights Issue With Warrants, which had been obtained on 27 March 2014, and the completion of such exercise;

(iv) Shareholders' approval for the Purchasers' purchase, acquisition and acceptance of the Sale Shares and Kesturi Junior Bonds together with all rights, title, benefits and interests in and to the same, which had been obtained at the EGM convened on 8 May 2014; and

(v) Kesturi's shareholder's approval authorizing, *inter alia*, the amendment to Article8(iii)(m) of Kesturi's Articles of Association (which states that the Kesturi RPS A is not transferable by the holder of the Kesturi RPS A) (and any other amendments related thereto and/or as may consequentially be necessary) so that the Kesturi RPS A will be freely transferable by holders thereof as well as a certified true copy of Kesturi's latest M&A incorporating the aforesaid amendment(s) after the same have been effected, which had been obtained on 19 May 2014.

Ekovest had on 22 May 2014 announced that following the fulfillment of the conditions precedent of the SSA (wherein it was mutually agreed by the Vendor and Purchasers that the completion by Ekovest of the Rights Issue With Warrants exercise will not be required), the SSA was deemed unconditional.

3.4 Information on Nuzen

3.4.1 History and principal activities

Nuzen was incorporated in Malaysia as a private limited company on 24 June 1999 under the Act as a joint venture vehicle between Wira Kristal (70%), a wholly-owned subsidiary of Ekovest, and MRCB (30%). Nuzen is an investment holding company.

3.4.2 Subsidiaries and associated companies

Nuzen has a wholly-owned subsidiary, namely Kesturi. Kesturi is the concession holder of the DUKE which has been fully operational since 30 April 2009.

3.4.3 Share capital

As at the LPD, the authorised share capital of Nuzen is RM50,000,000 comprising 5,000,000 Nuzen Shares and 45,000,000 Nuzen RPS in Nuzen, all of which are fully paid up. For information purposes, the Nuzen RPS were issued at an issue price of RM1.00 per Nuzen RPS.

3.4.4 Substantial shareholders

The substantial shareholders of Nuzen and their respective shareholdings in Nuzen are as follows:-

Name	Nationality / Country of incorporation	No. of Nuzen Shares held			
		Direct	%	Indirect	%
Wira Kristal	Malaysia	3,500,000	70.0	-	-
MRCB	Malaysia	1,500,000	30.0	-	-

3.4.5 Directors

The directors of Nuzen and their respective shareholdings in Nuzen are as follows:-

Name	Nationality	No. of Nuzen Shares held			
		Direct	%	Indirect	%
Dato' Haris	Malaysian	-	-	3,500,000 [(1)]	70.0
TSDLKH	Malaysian	-	-	3,500,000 [(2)]	70.0
Shaharuddin Bin Mohamed	Malaysian	-	-	-	-
Mohd Imran Bin Datuk Mohamad Salim [(3)]	Malaysian	-	-	-	-
Datuk Lim Keng Cheng	Malaysian	-	-	3,500,000 [(1)]	70.0
Chua Soo Kok	Malaysian	-	-	-	-

Notes:-

(1) Deemed interested by virtue of his indirect interest in Ekovest pursuant to Section 6A of the Act.

(2) Deemed interested by virtue of his direct and indirect interest in Ekovest pursuant to Section 6A of the Act.

(3) Deemed interest in MRCB due to his parents' substantial shareholdings in MRCB through Gapurna Sdn Bhd.

3.4.6 Financial information

A summary of the key financial information of Nuzen Group are as follows:-

	Audited FYE 31 December			Unaudited FYE 31 December
	2010	2011	2012	2013
	RM'000	RM'000	RM'000	RM'000
Revenue	63,015	73,321	81,923	87,534
LBT	(45,905)	(43,904)	(38,115)	(36,196)
Taxation	-	-	-	(800)
LAT	(45,905)	(43,904)	(38,115)	(36,996)
No. of ordinary shares in issue ('000)	5,000	5,000	5,000	5,000
Gross EPS (RM)	9.80	11.40	12.84	13.92
Net EPS (RM)	-	-	-	-
Paid-up capital	50,000	50,000	50,000	50,000
Shareholders' funds/ (NL)	(54,787)	(98,691)	(136,806)	(173,802)
NL per share (RM) [(1)]	(10.96)	(19.74)	(27.36)	(34.76)
Current ratio (times)	6.32	6.77	3.44	41.96
Gearing ratio (times)	-	-	-	-
Borrowings [(2)]	1,123,916	1,160,596	1,201,204	2,502,585 [(3)]

Notes:-

(1) *Computed based on NL divided by the number of ordinary shares in issue.*

(2) *The aggregate of IMTNs, redeemable secured junior bonds issued by Nuzen, RPS A and hire purchase and finance lease liabilities.*

(3) *The increase in Nuzen Group's borrowings is mainly attributable to the issuance of RM2,300 million (in nominal value) of IMTNs and RM180 million (in nominal value) of redeemable secured junior bonds by Kesturi on 2 December 2013, after netting off the redemption of Kesturi's previous senior sukuk (of RM820 million in nominal value) and junior bonds (of RM50 million in nominal value).*

Commentary on past performance

Nuzen Group recorded a LAT for the past four (4) FYEs 31 December 2010, 2011, 2012 as well as 2013 (unaudited) which is mainly due to the interest expense attributable to Kesturi's IMTNs, junior bonds and Kesturi RPS A which were issued to finance the construction cost of the existing DUKE. Nonetheless, it should be noted that the existing DUKE is revenue generating and cash flow positive, of which the revenue has been increasing since it commenced tolling operations in April 2009.

FYE 31 December 2010

Revenue for FYE 31 December 2010 increased by approximately RM29.0 million or 85.1% YoY. As the DUKE was completed in 2009, there was no further construction revenue recognised in year 2010 and hence, revenue recognised for the period comprised mainly of revenue derived from toll collections.

For FYE 31 December 2010, LBT and LAT increased by RM13.1 million and RM11.7 million respectively mainly due to the increase in interest attributable to the holders of Kesturi's IMTNs and junior bonds, which was a result of the debt restructuring exercise undertaken by Kesturi. In addition, higher amortisation of the concession assets as a result of higher traffic volume also contributed to the increase in LAT.

FYE 31 December 2011

Toll revenue grew by RM10.31 million or 16.4% YoY mainly due to the increase in traffic volume. LAT decreased by RM2.0 million for FYE 31 December 2011 due to the increase in the traffic volume of the DUKE.

FYE 31 December 2012

Revenue increased by approximately RM8.6 million or 11.7% YoY. The increase in revenue is mainly due to the increase in traffic volume whereby the traffic volume of the DUKE experienced a growth of approximately 11.2% in FYE 31 December 2012. Consequently, LAT had also decreased by RM5.8 million in FYE 31 December 2012 due to the increase in the traffic volume of the DUKE.

Unaudited FYE 31 December 2013

Revenue increased by approximately RM5.6 million or 6.8% YoY. The increase in revenue is mainly due to the increase in traffic volume whereby the traffic volume of the DUKE experienced a consistent growth of approximately 6.8% in FYE 31 December 2013.

Please refer to **Appendix VI** for the Accountants' Report on Nuzen Group.

4. INSTRUCTIONS FOR ACCEPTANCE AND PAYMENT

Full instructions for the acceptance of and payment for the Provisional Rights Shares With Warrants as well as Excess Rights Shares With Warrants Application and the procedures to be followed should you and/or your transferee(s) and/or your renouncee(s) (if applicable) wish to sell or transfer all or any part of your/his entitlement are set out in this Abridged Prospectus and the RSF. You and/or your transferee(s) and/or your renouncee(s) (if applicable) are advised to read this Abridged Prospectus, the RSF and the notes and instructions printed therein carefully. In accordance with the CMSA, the RSF must not be circulated unless accompanied by this Abridged Prospectus.

Acceptance and/or payment for the Provisional Rights Shares With Warrants which do not conform strictly to the terms of this Abridged Prospectus, the RSF and the notes and instructions printed therein or which are illegible may be rejected at the absolute discretion of our Board.

4.1 General

As an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Rights Shares With Warrants which you are entitled to subscribe for under the terms and conditions of the Rights Issue With Warrants. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such Provisional Rights Shares With Warrants into your CDS Account and the RSF to enable you to subscribe for such Rights Shares with Warrants that you have been provisionally allotted as well as to apply for Excess Rights Shares With Warrants if you choose to do so. This Abridged Prospectus and the RSF are also available at your stockbroker, our registered office, our Share Registrar or on Bursa Securities' website (http://www.bursamalaysia.com).

4.2 NPA

The Provisional Rights Shares With Warrants are prescribed securities under Section 14(5) of the SICDA and therefore, all dealings in the Provisional Rights Shares With Warrants will be by book entries through CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. As an Entitled Shareholder, you and/or your transferee(s) and/or your renouncee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making the applications.

4.3 Procedures for acceptance and payment

Acceptance of and payment for the Provisional Rights Shares With Warrants must be made on the RSF issued together with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained therein. Acceptances which do not strictly conform to the terms and conditions of this Abridged Prospectus or the RSF or the notes and instructions contained in these documents or which are illegible may not be accepted at the absolute discretion of our Board.

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL RIGHTS SHARES WITH WARRANTS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU WISH TO SELL OR TRANSFER ALL OR ANY PART OF YOUR ENTITLEMENT ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF. YOU ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN CAREFULLY.

If you wish to accept all or part of your entitlement to the Provisional Rights Shares With Warrants, please complete Parts I(A) and II of the RSF in accordance with the notes and instructions contained in the RSF. Each completed and signed RSF with the relevant payment must be despatched by ORDINARY POST, COURIER or DELIVERED BY HAND (at your own risk) to our Share Registrar, Sectrars Services Sdn Bhd, to the following address:-

Sectrars Services Sdn Bhd,
No. 28-1, Jalan Tun Sambanthan 3, Brickfields,
50470 Kuala Lumpur
Tel : 03 2274 6133
Fax: 03 2274 1016

so as to arrive not later than 5.00 p.m. on 16 June 2014, being the last date and time for the acceptance and payment for the Rights Shares with Warrants or such later date and time as our Board may decide and announce not less than two (2) Market Days before the stipulated date and time.

If you lose, misplace or for any other reasons require another copy of the RSF, you may obtain additional copies of the RSF from your stockbroker, our registered office, our Share Registrar or Bursa Securities' website (http://www.bursamalaysia.com).

Only one (1) RSF must be used for acceptance of the Provisional Rights Shares With Warrants standing to the credit of one (1) CDS Account. Separate RSFs must be used for the acceptance of Provisional Rights Shares With Warrants standing to the credit of more than one (1) CDS Account. The Rights Shares with Warrants accepted by you will be credited into the CDS Account(s) where the Provisional Rights Shares With Warrants are standing to the credit.

Successful applicants to the Rights Shares will be given the Warrants on the basis of one (1) Warrant for every two (2) Rights Shares successfully subscribed for. The minimum number of securities that can be subscribed for or accepted is one (1) Rights Shares. However, you should take note that a trading board lot comprises 100 shares. Fractions of a Rights Share and/or Warrant arising from the Rights Issue With Warrants will be dealt with as our Board may at its absolute discretion deem fit and expedient and in the best interest of our Company.

A reply envelope is enclosed with this Abridged Prospectus. To facilitate the processing of the RSFs by our Share Registrar, you are advised to use one (1) reply envelope for each completed RSF.

Each completed RSF must be accompanied by the appropriate remittance in RM for the full amount payable for the Rights Shares with Warrants accepted in the form of banker's draft or cashier's order or money order or postal order drawn on a bank or post office in Malaysia and made payable to "**EKOVEST RIGHTS ISSUE ACCOUNT**", crossed "**ACCOUNT PAYEE ONLY**" and endorsed on the reverse side with your name in block letters, contact number, address and your CDS Account number to be received by our Share Registrar by 5.00 p.m. on 16 June 2014 (or such later date and time as our Board may decide and announce not less than two (2) Market Days before the stipulated date and time). The payment must be made for the exact amount payable for the Rights Shares with Warrants accepted. Any excess or insufficient payment may be rejected at the absolute discretion of our Board. Cheques or other mode(s) of payment are not acceptable.

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.

NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE RSF OR THE APPLICATION MONIES IN RESPECT OF THE RIGHTS ISSUE WITH WARRANTS. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN ON OUR RECORD OF DEPOSITORS AT YOUR OWN RISK WITHIN EIGHT (8) MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY APPLICATION OR TO ACCEPT ANY APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREFOR.

YOU SHOULD NOTE THAT ALL RSF AND REMITTANCES LODGED WITH OUR SHARE REGISTRAR WILL BE IRREVOCABLE AND CANNOT SUBSEQUENTLY BE WITHDRAWN.

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY ACCEPTED APPLICATIONS, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST BY ORDINARY POST TO THE ADDRESS AS SHOWN ON OUR RECORD OF DEPOSITORS AT YOUR OWN RISK WITHIN FIFTEEN (15) MARKET DAYS FROM THE CLOSING DATE.

ALL RIGHTS SHARES AND WARRANTS TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WITH WARRANTS WILL BE ALLOTTED BY WAY OF CREDITING THE RIGHTS SHARES AND THE WARRANTS INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/OR THEIR TRANSFEREE(S) AND/OR THEIR RENOUNCEE(S) (IF APPLICABLE). NO PHYSICAL SHARE CERTIFICATES OR WARRANT CERTIFICATES WILL BE ISSUED.

If acceptance of and payment for the Provisional Rights Shares With Warrants allotted to you (whether in full or in part, as the case may be) are not received by our Share Registrar by 5.00 p.m. on 16 June 2014 (or such later date and time as our Board may decide and announce not less than two (2) Market Days before the stipulated date and time), the provisional entitlement to you or remainder thereof (as the case may be) will be deemed to have been declined and will be cancelled. Proof of time of postage shall not constitute proof of time of receipt by our Share Registrar.

Our Board will then have the right to allot such Rights Shares with Warrants not taken up to applicants applying for the Excess Rights Shares With Warrants in the manner as set out in Section 4.6 of this Abridged Prospectus.

4.4 Procedures for part acceptance

You are entitled to accept part of your entitlement of the Provisional Rights Shares with Warrants PROVIDED ALWAYS that:-

(i) the minimum number of Rights Shares with Warrants that may be accepted is two (2) Rights Shares with one (1) Warrant (wherein you must hold at least five (5) Shares on the Rights Issue Entitlement Date in order to be entitled to two (2) Rights Shares with one (1) Warrant); and

(ii) any part acceptance shall be in the proportion of two (2) Rights Shares with one (1) Warrant.

WHEN YOU ACCEPT ONLY PART OF YOUR PROVISIONAL RIGHTS SHARES WITH WARRANTS, YOU WILL AUTOMATICALLY BE ACCEPTING BOTH THE RIGHTS SHARES AND WARRANTS IN THE PROPORTION OF TWO (2) RIGHTS SHARES WITH ONE (1) WARRANT. YOU CANNOT ACCEPT THE PROVISIONALLY ALLOTTED RIGHTS SHARES WITH WARRANTS IN ANY OTHER PROPORTIONS.

You must complete both Part I(A) of the RSF by specifying the number of Rights Shares with Warrants which you are accepting (in the stipulated proportions) and Part II of the RSF and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the same manner as set out in Section 4.3 of this Abridged Prospectus.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF.

4.5 Procedures for sale or transfer of Provisional Rights Shares With Warrants

As the Provisional Rights Shares With Warrants are prescribed securities, should you wish to sell or transfer all or part of your entitlement to the Provisional Rights Shares With Warrants to one (1) or more persons, you may do so through your stockbroker without first having to request us for a split of the Provisional Rights Shares With Warrants standing to the credit of your CDS Account. To sell or transfer all or part of your entitlement to the Provisional Rights Shares With Warrants, you may sell such entitlement on the open market for the period up to the last date and time for sale of the Provisional Rights Shares With Warrants (in accordance with the Rules of Bursa Depository) or transfer such entitlement to such persons as may be allowed under the Rules of Bursa Depository for the period up to the last date and time for transfer of the Provisional Rights Shares With Warrants (in accordance with the Rules of Bursa Depository).

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF. IN SELLING OR TRANSFERRING ALL OR PART OF YOUR PROVISIONAL RIGHTS SHARES WITH WARRANTS, YOU ARE NOT REQUIRED TO DELIVER ANY DOCUMENT TO YOUR STOCKBROKER. YOU ARE HOWEVER ADVISED TO ENSURE THAT YOU HAVE SUFFICIENT NUMBER OF PROVISIONAL RIGHTS SHARES WITH WARRANTS STANDING TO THE CREDIT OF YOUR CDS ACCOUNT BEFORE SELLING OR TRANSFERRING.

If you have sold or transferred only part of the Provisional Rights Shares With Warrants, you may still accept the balance of the Provisional Rights Shares With Warrants by completing Parts I(A) and II of the RSF. Please refer to Section 4.3 of this Abridged Prospectus for the procedures for acceptance and payment.

YOU SHOULD NOTE THAT ALL RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR WILL BE IRREVOCABLE AND CANNOT SUBSEQUENTLY BE WITHDRAWN.

4.6 Procedures for the Excess Rights Shares With Warrants Application

If you wish to apply for additional Rights Shares with Warrants in excess of your entitlement, you may do so by completing Part I(B) of the RSF (in addition to Parts I(A) and II) and forwarding it with a separate remittance made in RM for the full amount payable on the Excess Rights Shares With Warrants applied, to our Share Registrar so as to arrive not later than 5.00 p.m. on 16 June 2014 (or such later date and time as our Board may decide and announce not less than two (2) Market Days before the stipulated date and time).

Payment for the Excess Rights Shares With Warrants applied for should be made in the same manner described in Section 4.3 of this Abridged Prospectus except that the banker's draft or cashier's order or money order or postal order drawn on a bank or post office in Malaysia be made payable to "**EKOVEST EXCESS RIGHTS ACCOUNT**", crossed "**ACCOUNT PAYEE ONLY**" and endorsed on the reverse side with your name in block letters, contact number, address and your CDS Account number to be received by our Share Registrar by 5.00 p.m. on 16 June 2014 (or such later date and time as our Board may decide and announce not less than two (2) Market Days before the stipulated date and time). The payment must be made for the exact amount payable for the Excess Rights Shares With Warrants applied. Any excess or insufficient payment may be rejected at the absolute discretion of our Board. Cheques or other mode(s) of payment are not acceptable.

It is the intention of our Board to allot the Excess Rights Shares With Warrants, if any, on a fair and equitable basis and in the following priority:-

(i) firstly, to minimise the incidence of odd lots;

(ii) secondly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares With Warrants on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at the Rights Issue Entitlement Date;

(iii) thirdly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares With Warrants on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares With Warrants Application; and

(iv) fourthly, the remaining balance (if any) for allocation to transferee(s) and/or renouncee(s) (if applicable) who have applied for Excess Rights Shares With Warrants on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares With Warrants Application.

Nevertheless, our Board reserves the right to allot any Excess Rights Shares With Warrants applied for under Part I(B) of the RSF in such manner as it deems fit and expedient and in the best interest of our Company subject always to such allocation being made on a fair and equitable basis and that the intention of our Board set out above is achieved. Our Board also reserves the right to accept any Excess Rights Shares With Warrants Application, in full or in part, without assigning any reason.

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.

NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE EXCESS RIGHTS SHARES WITH WARRANTS APPLICATION OR THE APPLICATION MONIES IN RESPECT THEREOF. PROOF OF TIME OF POSTAGE SHALL NOT CONSTITUTE PROOF OF TIME OF RECEIPT BY OUR SHARE REGISTRAR. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN ON OUR RECORD OF DEPOSITORS AT YOUR OWN RISK WITHIN EIGHT (8) MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

EXCESS RIGHTS SHARES WITH WARRANTS APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY SUCH APPLICATION OR TO ACCEPT ANY SUCH APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON.

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL EXCESS RIGHTS SHARES WITH WARRANTS APPLICATIONS, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST BY ORDINARY POST TO THE ADDRESS AS SHOWN ON OUR RECORD OF DEPOSITORS AT YOUR OWN RISK WITHIN FIFTEEN (15) MARKET DAYS FROM THE CLOSING DATE.

4.7 Procedures to be followed by transferees and/or renouncees

As a transferee and/or renouncee, the procedures for acceptance, selling or transferring of Provisional Rights Shares With Warrants, applying for the Excess Rights Shares With Warrants and/or payment is the same as that which is applicable to Entitled Shareholders as described in Sections 4.3 to 4.6 of this Abridged Prospectus. Please refer to the relevant sections for the procedures to be followed.

If you wish to obtain a copy of this Abridged Prospectus and/or accompanying RSF, you can request the same from your stockbroker, our registered office, our Share Registrar or Bursa Securities' website (http://www.bursamalaysia.com).

TRANSFEREES AND/OR RENOUNCEES (IF APPLICABLE) ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF.

4.8 CDS Account

Bursa Securities has already prescribed the Shares listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares and Warrants are prescribed securities and as such, all dealings in the Rights Shares with Warrants shall be subject to the SICDA and the Rules of Bursa Depository. You must have a valid and subsisting CDS Account in order to subscribe for the Rights Shares with Warrants. Failure to comply with these specific instructions or inaccuracy of the CDS Account number may result in your application being rejected.

Your subscription for the Rights Shares with Warrants shall mean consent to receive such Rights Shares and Warrants as deposited securities which will be credited directly into your CDS Account. No physical share certificates or warrant certificates will be issued.

All Excess Rights Shares With Warrants allotted shall be credited directly into the CDS Accounts of successful applicants.

If you have multiple CDS Accounts into which the Provisional Rights Shares With Warrants have been credited, you cannot use a single RSF for subscription of all these Provisional Rights Shares With Warrants. Separate RSFs must be used for separate CDS Accounts. If successful, the Rights Shares and Warrants that you subscribed for will be credited into the CDS Accounts where the Provisional Rights Shares With Warrants are standing to the credit.

4.9 Entitled Shareholders with foreign addresses

The Documents have not been (and will not be) made to comply with the laws of any foreign country or jurisdiction, and have not been (and will not be) lodged, registered or approved under any applicable securities or equivalent legislation (or with or by any regulatory authority or other relevant body) of any country or jurisdiction other than Malaysia.

The distribution of the Documents, as well as the acceptance of the Provisional Rights Shares With Warrants and the subscription for or the acquisition of the Rights Shares with Warrants may be restricted or prohibited (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain countries or jurisdiction under the relevant laws of those countries or jurisdictions.

The Documents are not intended to be (and will not be) issued, circulated or distributed and the Rights Issue With Warrants will not be made or offered or deemed made or offered, in any country or jurisdiction other than Malaysia or to persons who are or may be subject to the laws of any country or jurisdiction other than the laws of Malaysia. The Rights Issue With Warrants to which this Abridged Prospectus relates is only available to persons receiving the Documents or otherwise within Malaysia.

As a result, the Documents have not been (and will not be) sent to our Foreign Addressed Shareholders. However, Foreign Addressed Shareholders may collect the Documents from our Share Registrar at Sectrars Services Sdn Bhd, No. 28-1, Jalan Tun Sambanthan 3, Brickfields, 50470 Kuala Lumpur, Malaysia who will be entitled to request such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the Documents.

If you are a Foreign Addressed Shareholder, our Company will not make or be bound to make any enquiry as to whether you have an address or an address for service in Malaysia if not otherwise stated in our Record of Depositors as at the Rights Issue Entitlement Date and will not accept or be deemed to accept any liability whether or not any enquiry or investigation is made in connection therewith. Our Company will assume that the Rights Issue With Warrants and the acceptance thereof by you would be in compliance with the terms and conditions of the Rights Issue With Warrants and would not be in breach of the laws of any jurisdiction. Our Company will further assume that you had accepted the Rights Issue With Warrants in Malaysia and will at all applicable times be subject to the laws of Malaysia.

The foreign Entitled Shareholder and/or his transferee(s) and/or his renouncee(s) (if applicable) may only accept or renounce all or any part of their entitlements and exercise any other rights in respect of the Rights Issue With Warrants to the extent that it would be lawful to do so, and our Company, our Board and officers, AmInvestment Bank and/or other experts ("**Parties**"), would not in connection with the Rights Issue With Warrants, be in breach of the laws of any country or jurisdiction to which the foreign Entitled Shareholder and/or his transferee(s) and/or his renouncee(s) (if applicable) is or might be subject to. The foreign Entitled Shareholder and/or his transferee(s) and/or his renouncee(s) (if applicable) shall be solely responsible to seek advice from their legal and/or professional advisers as to the laws of the countries or jurisdictions to which they are or might be subject to. The Parties shall not accept any responsibility or liability in the event any acceptance or renunciation made by any foreign Entitled Shareholder and/or his transferee(s) and/or his renouncee(s) (if applicable) is or shall become unlawful, unenforceable, voidable or void in any such country or jurisdiction. The foreign Entitled Shareholder and/or his transferee(s) and/or his renouncee(s) (if applicable) will also have no claims whatsoever against the Parties in respect of their entitlements or to any net proceeds thereof.

Our Company reserves the right, in our absolute discretion, to treat any acceptances as invalid, if we believe that such acceptance may violate applicable legal or regulatory requirements. The Provisional Rights Shares With Warrants relating to any acceptance which is treated as invalid will be included in the pool of Excess Rights Shares With Warrants available for excess application by other Entitled Shareholders and/or their transferee(s) and/or their renouncee(s) (if applicable).

Each person, by accepting the delivery of the Documents, accepting any Provisional Rights Shares With Warrants by signing any of the forms accompanying this Abridged Prospectus or subscribing for or acquiring the Rights Shares with Warrants will be deemed to have represented, warranted, acknowledged and agreed in favour of (and which representations, warranties, acknowledgements and agreements will be relied upon by) the Parties as follows:-

(i) the Parties would not, by acting on the acceptance or renunciation in connection with the Rights Issue With Warrants, be in breach of the laws of any jurisdiction to which the Entitled Shareholder and/or his transferee(s) and/or his renouncee(s) (if applicable) is or might be subject to;

(ii) the foreign Entitled Shareholder and/or his transferee(s) and/or his renouncee(s) (if applicable) has complied with the laws to which the foreign Entitled Shareholder and/or his transferee(s) and/or his renouncee(s) (if applicable) is or might be subject to in connection with the acceptance or renunciation;

(iii) the foreign Entitled Shareholder and/or his transferee(s) and/or his renouncee(s) (if applicable) is not a nominee or agent of a person in respect of whom the Parties would, by acting on the acceptance or renunciation of the Provisional Rights Shares With Warrants, be in breach of the laws of any jurisdiction to which that person is or might be subject to;

(iv) the foreign Entitled Shareholder and/or his transferee(s) and/or his renouncee(s) (if applicable) is aware that the Rights Shares and Warrants can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;

(v) the foreign Entitled Shareholder and/or his transferee(s) and/or his renouncee(s) (if applicable) has obtained a copy of this Abridged Prospectus and has had access to such financial and other information and has been provided the opportunity to ask such questions to the representatives of the Parties and receive answers thereto as the foreign Entitled Shareholder and/or his transferee(s) and/or his renouncee(s) deem necessary in connection with the foreign Entitled Shareholder and/or his transferee and/or his renouncee's decision to subscribe for or purchase the Rights Shares and Warrants; and

(vi) the foreign Entitled Shareholder and/or his transferee(s) and/or his renouncee(s) (if applicable) has sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares and Warrants, and is and will be able, and is prepared to bear the economic and financial risks of investing in and holding the Rights Shares and Warrants.

NOTWITHSTANDING ANYTHING HEREIN, THE FOREIGN ENTITLED SHAREHOLDERS AND ANY OTHER PERSON HAVING POSSESSION OF THIS ABRIDGED PROSPECTUS AND/OR ITS ACCOMPANYING DOCUMENTS ARE ADVISED TO INFORM THEMSELVES OF AND TO OBSERVE ANY LEGAL REQUIREMENTS APPLICABLE THERETO. NO PERSON IN ANY TERRITORY OUTSIDE OF MALAYSIA RECEIVING THIS ABRIDGED PROSPECTUS AND/OR ITS ACCOMPANYING DOCUMENTS MAY TREAT THE SAME AS AN OFFER, INVITATION OR SOLICITATION TO SUBSCRIBE FOR OR ACQUIRE ANY RIGHTS SHARES AND WARRANTS UNLESS SUCH OFFER, INVITATION OR SOLICITATION COULD LAWFULLY BE MADE WITHOUT COMPLIANCE WITH ANY REGISTRATION OR OTHER REGULATORY OR LEGAL REQUIREMENTS ON SUCH TERRITORY.

5. UTILISATION OF PROCEEDS

Based on issue price of RM1.00 per Rights Share, the gross proceeds to be raised from the Rights Issue With Warrants would be RM244.4 million and the expected utilisation of the proceeds are as follows:-

Proposed utilisation of proceeds	Notes	RM'000	Expected timeframe for utilisation from the date of listing and quotation of the Rights Shares
Acquisition	(a)	205,200	Within 12 months
Working capital	(b)	36,214	Within 6 months
Estimated expenses	(c)	3,000	Within 6 months
Total		**244,414**	

Notes:-

(a) *RM205.2 million of the proceeds from the Rights Issue With Warrants is intended to be utilised for the settlement of the Balance Purchase Consideration. However, in the event that the Acquisition is not completed for any reason, the allocation earmarked for the settlement for the Balance Purchase Consideration will be utilised for EkoCheras. Information on EkoCheras are as follows:-*

Name of project	EkoCheras
Details of development	Mixed development consisting service apartments, retail shops and shop offices
Total estimated development cost	RM834 million
Expected gross development value ("GDV")	RM1.63 billion
Commencement and expected completion date	3rd quarter of 2013 - 2017
Status of approvals for development (dates obtained)	The building plan of EkoCheras was approved on 26 June 2012

Hence, if the proceeds from the Rights Issue With Warrants is utilised to fund the construction of EkoCheras, the proceeds is expected to be utilised over the course of the construction period which is expected to be completed by 2017.

(b) *The balance of the proceeds is proposed to be used for our Group's working capital purposes, which include the payment to suppliers for purchase of materials such as steel bars, sheet piles, concrete, bricks and cement and purchase of machineries such as excavators and dump trucks and payment to contractors for on-going development project (i.e. the EkoCheras) as well as for day-to-day operations.*

(c) *The expenses including professional fees and fees payable to the relevant authorities, underwriting fees, printing cost of circular to Shareholders and this Abridged Prospectus, advertising and miscellaneous expenses estimated to be RM3.0 million. Any shortfall or excess in funds allocated for estimated expenses will be funded from or used for our Group's working capital requirements.*

The actual proceeds to be received by our Company pursuant to the exercise of the Warrants will depend on the actual number of Warrants exercised over the tenure of the Warrants of five (5) years. Therefore, the amount of proceeds to be raised from the exercise of the Warrants and the timing thereof is not determinable at this juncture. The total proceeds that will be raised from the full exercise of the Warrants is up to RM165.0 million. Any proceeds arising from the exercise of the Warrants will be utilised for future working capital requirements of our Group.

6. FULL SUBSCRIPTION LEVEL, UNDERTAKINGS AND UNDERWRITING ARRANGEMENT

Our Board has determined to undertake the Rights Issue With Warrants on a Full Subscription Level basis. The Full Subscription Level was determined by the Board after taking into consideration, amongst others, the minimum level of funds that our Company wishes to raise from the Rights Issue With Warrants that will be channelled towards the proposed utilisation as set out in Section 5 of this Abridged Prospectus.

The Full Subscription Level will be met via the Undertakings which have been procured from the Undertaking Shareholders and an underwriting arrangement entered into with AmInvestment Bank for the underwriting of the balance Rights Shares not covered by the Undertakings of up to 103,349,197 Rights Shares representing 42.28% of the total number of the Rights Shares, at an underwriting commission of 1.5%.

Each of the persons / parties who have provided the Undertakings have respectively confirmed via the Undertakings that they have sufficient financial resources to take up the number of Rights Shares as specified in their respective Undertakings. AmInvestment Bank has verified and ensured the sufficiency of financial resources of the persons / parties who have provided the Undertakings for the purpose of subscribing for the Rights Shares pursuant to the Undertakings.

A summary of the Undertakings is as follows:-

Substantial shareholders	Shareholdings as at the LPD		After the Share Split		Rights Shares entitlement	
	No. of ordinary shares	%	No. of Ekovest Shares	%	No. of Ekovest Shares	%
TSDLKH	61,672,175	20.19	123,344,350	20.19	49,337,740	20.19
Kota Jayasama Sdn Bhd	61,582,879	20.16	123,165,758	20.16	49,266,303	20.16
EHSB	37,250,000	12.19	74,500,000	12.19	29,800,000	12.19
LSHH	11,955,600	3.91	23,911,200	3.91	9,564,480	3.91
Fablelite Sdn Bhd	3,870,300	1.27	7,740,600	1.27	3,096,240	1.27

The underwriting commission payable to AmInvestment Bank and all other costs in relation to the underwriting arrangement shall be fully borne by us.

The underwriting arrangement set out above, taken together with the Undertakings will ensure that the Full Subscription Level is achieved.

The Undertaking Shareholders have confirmed that the Undertakings will not give rise to any consequences relating to a mandatory offer obligation under the Code after the implementation of the Rights Issue With Warrants as the current shareholdings of TSDLKH and parties acting in concert is more than fifty percent (50%) and the remaining portion of the Rights Shares not covered by the Undertakings are underwritten.

There will not be any immediate implication under the Code arising from the issuance and allotment of the Warrants to the Undertaking Shareholders as the Warrants are not voting shares until and unless they are exercised.

In the event that any Undertaking Shareholder elects to exercise its/his Warrants in the future, the number of Warrants exercised and the timing of the exercise of Warrants may result in the relevant Undertaking Shareholder(s) triggering a mandatory offer obligation under the Code unless otherwise exempted by the SC under the provisions of the Code and upon application by the relevant Undertaking Shareholder(s), subject to any conditions imposed by the SC. The Undertaking Shareholders have confirmed that they will at all times observe and ensure compliance with the provisions of the Code and will seek the necessary exemptions from the SC, if required.

7. RISK FACTORS

You should carefully consider, in addition to other information contained in this Abridged Prospectus, the following risk factors before subscribing for or investing in the Rights Shares with Warrants.

7.1 Risks relating to the Rights Issue With Warrants

(i) Delay in or abortion of the Rights Issue With Warrants

As stated in Section 6 of this Abridged Prospectus, our Company has procured the Undertakings from the Undertaking Shareholders, who have irrevocably and unconditionally undertaken, *inter-alia*, to subscribe for their respective Rights Shares entitlement. While AmInvestment Bank has verified, to the extent possible, that the Undertaking Shareholders have sufficient financial resources to subscribe for the number of Rights Shares stated in the Undertakings, in the event that for whatever reason they do not fulfil their obligations under the Undertakings, the successful and timely implementation of the Rights Issue With Warrants may be affected.

Further, the underwriting agreement allows the underwriter the right to terminate their underwriting commitment under certain circumstances, such as non-fulfilment of conditions precedent, breach of undertakings, warranties and representations on the part of our Company and/or if the underwriter is of the reasonable opinion (which opinion and grounds of opinion must be provided to our Company) that the success of the Rights Issue With Warrants is likely to be materially and adversely affected by certain events, amongst others, changes in law, market conditions, financial condition of our Group or any event or series of events beyond the reasonable control of the underwriter.

In the event of a failure in implementation of the Rights Issue With Warrants, we will return in full without interest, all monies received in respect of any application for subscription of the Rights Shares with Warrants within fourteen (14) days after our Company becomes liable to do so, in accordance with the provisions of the CMSA. As the Acquisition is conditional upon the Rights Issue With Warrants, in the event that the Rights Issue With Warrants does not complete, the Acquisition will also be terminated.

In the event that the Rights Shares with Warrants have been allotted to the successful Entitled Shareholders and/or their renouncees (if applicable) and the Rights Issue With Warrants is subsuequently aborted or terminated, a return of subscription monies to all holders of the Rights Shares with Warrants would only be achievable by way of cancellation of our share capital as provided for under the Act and its related rules. Such cancellation requires the sanction of our Shareholders by way of a special resolution in a general meeting, consent of our creditors (unless dispensation with such consent has been granted by the High Court of Malaysia) and the confirmation of the High Court of Malaysia. In such an event, there can be no assurance that such monies can returned within a short period of time or at all.

(ii) Capital market risk

The market price of our Shares is influenced by, amongst others, the prevailing market sentiments, the volatility of the stock market, movements in interest rates, the outlook of the construction, real estate and toll operations industries in which our Company operates and our financial performance. In view of this, there can be no assurance that our Shares will trade at or above the issue price of RM1.00 for each Rights Share or the TEAP upon or subsequent to the listing and quotation of the Rights Shares on the Main Market of Bursa Securities.

The Warrants will be immediately detached from the Rights Shares upon issuance and separately traded on Bursa Securities. As there is no prior market for the Warrants, there is no assurance that an active market for the Warrants will develop upon their listing, or if developed, that such a market will be sustained. The price at which the Warrants will trade on Bursa Securities upon or subsequent to their listing is dependent upon market forces, which are beyond our control.

Accordingly, there is no assurance that the market price of the Rights Shares and Warrants will be at a level that meets the specific investment objectives or targets of any subscriber of the Rights Shares and Warrants.

(iii) Potential dilution

Entitled Shareholders who do not or are not able to accept their Provisional Rights Shares With Warrants will have their proportionate ownership and voting interests in our Company reduced, and the percentage of our enlarged issued and paid-up ordinary share capital represented by their shareholdings in our Company will also be reduced accordingly.

(iv) Forward-looking statements and other information

Certain statements in this Abridged Prospectus are based on historical data, which may not be reflective of future results, and others are forward-looking in nature which are subject to uncertainties and contingencies. All forward-looking statements are based on the estimates and assumptions made by our Company, unless stated otherwise, and although our Board believes these forward-looking statements to be reasonable at this point in time given the prevailing circumstances, they are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, but are not limited to, those set out in this Abridged Prospectus. In view of this and other uncertainties, the inclusion of any forward-looking statement in this Abridged Prospectus should not be regarded as a representation or warranty by our Company, the Principal Adviser and/or other advisers that the plans and objectives of our Group will be achieved.

Further, and save as required by law or relevant rules and regulations, none of our Directors, the Principal Adviser and/or any other advisers are under any obligation to update any forward-looking statements included in this Abridged Prospectus, or to publicly announce any revision to those forward-looking statements for any reason, even if new information becomes available or other events occur in the future.

Certain information in this Abridged Prospectus are extracted or derived from available government publications or other publicly available sources. Neither we nor the Principal Adviser and/or any other advisers have independently verified such information.

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7.2 Risks relating to our Group

Risks relating to the business and operations of our Group

Construction

(i) Construction risks

Our Group is principally involved in civil engineering, building works and the management of construction projects. The profitability of our Group may be adversely affected by many factors including shortages of materials especially supplies of cement, equipment and labour, fluctuation of construction costs, availability and rising cost of financing, adverse weather conditions, changes in government legislation and priorities.

Any of these could give rise to delays in the completion of a project and result in cost overruns. Construction delays can result in loss of revenues. The failure or delay in completing a development or construction project according to its specifications may result in legal uncertainties, liabilities, reduced efficiency and less desirable returns.

We, however, have made efforts to reduce our Group's exposure to such inherent business risks. Amongst the key factors in reducing the risk of cost overruns or project delays is the ability of our Group's experienced and hands-on project management team in planning for the avoidance of possible problems in the implementation stage as well as the effective management of sub-contractors. The risk of raw material shortage is reduced due to our strong relationship with our suppliers. As our Group undertakes several projects simultaneously, this allows us to purchase our raw materials in bulk, which apart from giving our Group better prices, also accords special priviledge status to our Group as a major customer of these suppliers (whereby there are eight (8)) with whom we have had business relationships for over more than ten (10) years. Our Group has been enjoying prompt delivery of raw materials and uninterrupted supply even during periods of material shortages.

Our Group adopts various measures to minimise risk of dependency on certain sub-contractors and/or suppliers as follows:-

(i) our Group adopts a tender system in selecting sub-contractors and suppliers. The selection is made after due consideration of their past experience, track record, qualification and financial strength;

(ii) our Group ensures that sub-contractors are not awarded contracts in which they are not capable of undertaking. Further, our Group continuously reviews and evaluates the work in progress and performance quality of each of the projects awarded to ensure prompt completion and reasonable quality attained; and

(iii) our Group adopts policy of nurturing a substantial pool of reliable and efficient sub-contractors, particulary labour sub-contractors to ensure that sufficient contractors may be mobilized in a timely manner to new projects and thus, are able to complete the projects on time.

Nevertheless, no assurance may be given that any changes to these factors would not have any material impact on our Group's business.

(ii) Legal and other proceedings arising from our business operations from time to time

We may be involved from time to time in disputes with various parties involved in construction projects such as the project owners, sub-contractors, suppliers and other partners. These disputes arising from our business operations may lead to legal and other proceedings, and may cause us to suffer additional costs and delay in the construction or completion of our projects.

Please refer to Section 4, Appendix VIII of this Abridged Prospectus for further information in relation to the existing material litigation of our Group.

While we have undertaken measures such as conducting appropriate studies on the nature and complexity of implementation of the contractual work in order to avoid project delay or project cost overruns, there can be no assurance that this would not lead to any legal or other proceedings that could adversely affect the operations and profitability of our Group.

(iii) Defects liability

Construction contracts commonly stipulate a defects liability period for work done, which ranges from twelve (12) to twenty-four (24) months from the date of official hand over of the completed projects, depending on the nature of the contract. This makes the contractor liable for the work carried out and for any repair, reconstruction or rectification of any faults or defects which may surface or be identified during the defects liability period. Nevertheless, by working closely with our customers to ensure the works specifications are met, coupled with the experience and expertise of our Group, the defects of our works shall be reduced to a minimal level. However, there is no assurance that any repair, reconstruction or rectification works during the defects liability period will not have a material impact on our Group's financial performance.

(iv) Competition from existing competitors and new entrants

Generally, the construction sector is highly competitive in nature with a large number of players, which include listed and non-listed companies.

Our Group is mainly involved in inter-alia, construction of roads, highways and bridges. Our Group's competitors in the construction sector are mainly Class "A" construction companies, particularly those listed on the Main Market of Bursa Securities.

With our strong financial base and experienced and knowledgeable personnel, our Group has the necessary attributes to further excel in the construction sector. However, no assurance can be given that our Group will be able to compete effectively with current and/or future entrants in the construction sector.

Property development

The EkoCheras development represents our maiden venture into property development. Following EkoCheras, we intend to continue to grow our property development business as we seek to launch several other strategic projects on our Group's remaining 22 acres landbank in Kuala Lumpur. In this respect, Ekovest would be exposed to new challenges and risks prevalent in the property development industry which Ekovest was not previously exposed to in the past given that property development was not a major contributor to the financial performance of Ekovest.

(i) Performance of the property market

Our financial performance is largely dependent on the performance of the property market in Malaysia. Any adverse developments affecting the property market such as the deterioration in property demand and the property rental may have an adverse impact on our business operations and financial performance.

The performance of the property market is also affected by the regulatory environment. In efforts to promote a more stable and sustainable property market, local authorities in Malaysia have introduced certain regulatory restrictions and schemes.

Real Property Gains Tax ("**RPGT**") was reinstated by the Government in 2010 to deter speculative activities in the secondary property market. Subsequent to 2010, the RPGT rates were revised higher by the Government as part of its efforts to further curb speculation in the property market.

Additionally, the Government had also imposed a minimum purchase price of RM500,000 on properties purchasable by foreigners. The said minimum price was revised further from RM500,000 to RM1,000,000 in the Malaysian Budget 2014 as part of the Government's plans to restrict speculative activities in the property market.

In 2010, BNM had also introduced a maximum loan-to-value ("**LTV**") ratio of 70% with regards to third home purchases. Under the ruling, potential third home purchasers are only able to obtain loan-financing facility of up to 70% of the value of their proposed third home purchases. This ruling was introduced with the aim of discouraging speculation in the property market. In November 2013, BNM issued a ruling that banks are required to give out property loans based on net selling price of the properties, which excludes rebates and discounts as opposed to the gross selling price of the subject properties.

In addition, banks can no longer provide financing for projects with developer interest bearing schemes ("**DIBS**"). DIBS is generally a form of promotional incentive offered to potential purchasers in a bid by property developers to attract property buyers. Under DIBS, interests of the loan undertaken by the buyers are borne by the property developers until the property has been constructed. However, we are of the view that such restriction should not have a material impact on our operations and financial performance as we are able to offer other forms of promotional incentives such as early bird discount, free legal fees as well as free fittings and fixtures to attract potential purchasers. However, any further introduction of cooling measures by the Government or BNM to control price levels of the Malaysian property market may adversely impact our property development business.

(ii) Cost fluctuation and demand for properties

Our profitability may be affected by any increase in land acquisition costs and fluctuation of construction costs which are inherent to the property development industry. Higher cost of materials (including steel, cement and tiles), labour costs, contractor fees and overheads, will reduce our profit margin in the event we are unable to pass these increased costs to customers in the form of higher selling prices. Selling prices of properties are largely determined by product differentiation in terms of location, reputation, quality, design and the conditions of the property market in Malaysia.

There can be no assurance that any changes in development cost will not have any material impact on our financial performance. We seek to limit this risk by continuing to closely monitor and manage the construction costs while making all reasonable efforts to maintain the quality of our products.

The demand for our properties is affected by the economic climate, conditions of the property market, buyers' perception and consumer sentiment and changes in market rental yields and interest rates, which we may not have any control over. We continuously seek to mitigate these risks by constantly reviewing our development and marketing strategies in response to the ever-changing market conditions and adopting different development concepts and techniques that position our Group to meet the needs of our target markets.

(iii) Delay in completion of projects

As a property developer, we may be affected by external factors which may give rise to delay in delivery of our properties to our buyers. These external factors include, but are not limited to, regulatory approvals and permits from various authorities, adverse weather conditions, unsatisfactory performance of contractors, accidents at project sites, stop work orders issued by relevant local authorities, labour disputes and availability of quality materials and labour.

Any delay in completion may give rise to potential claims for liquidated damages from our buyers pursuant to the terms of the sale and purchase agreements entered into and such claims may adversely affect our Group's reputation and financial performance.

We seek to ensure timely delivery of projects through, amongst others, hands-on project management approach as well as effective management of sub-contractors. Our Group has an experienced and hands-on project management team in planning for the avoidance of possible problems in the implementation stage of projects.

(iv) Scarcity of commercially viable land bank for development

Moving forward, for our Group to be successful in the property development industry, we rely on our ability to identify and acquire suitable land bank with development potential to deliver sustainable growth and profitability. However, we also face intense competition from other more established property developers in identifying and acquiring strategically located land bank at commercially viable prices. The competition among industry players has to a certain extent, created some scarcity in strategically located land, which may result in higher land acquisition cost, thus may lead to a potential decrease in our profitability and adversely affect our prospects.

We currently have 22 acres of landbank located in Kuala Lumpur. However, we shall continuously source to increase our Group's land bank at strategic locations with development potential. Nevertheless, there can be no assurance that we will be able to continue to identify new land bank and replenish our land bank on commercially-viable prices and on suitable terms, or be able to secure opportunities to jointly develop lands with land owners on commercially viable profit sharing terms and with good development potential to spur our growth, as we continue to undertake our development plans.

(v) Compulsory acquisition by state government

Pursuant to the provisions of the Land Acquisition Act, 1960, the State Authority has the power to acquire any land, whether in whole or in part, which is needed:-

(i) for any public purposes;

(ii) by any person or corporation for any purpose which in the opinion of the State Authority is beneficial to the economic development of Malaysia or any part thereof or to the public generally or any class of the public; or

(iii) for the purpose of mining or for residential, agricultural, commercial, industrial or recreational purposes.

In the event of such compulsory acquisition, the amount of such compensation awarded may be less than the open market value of the property and may be less than the purchase consideration of the property which was paid by our Group. Notwithstanding the above and pursuant to the Land Acquisition Act, 1960, we have the right to submit an objection against the quantum of compensation awarded.

<u>**Toll operations**</u>

(i) Reliance on traffic volume

Traffic volume, a primary determinant of Ekovest Group's revenue from our toll operations segment, is largely affected by many factors which are beyond our control. Such factors may include (but are not limited to) the level of economic activity, affordability of automobiles, price of petrol and the availability of alternative routes or modes of transport e.g. the proposed Mass Rapid Transit System. There can be no assurance that any adverse trends affecting any of these factors will not have a material adverse effect on traffic volumes and profitability of the DUKE and ultimately our Group.

(ii) Interruptions in the operations of the DUKE

Generally, the use of the DUKE may be interrupted or affected by, amongst others, accidents, natural disasters, war, civil commotion, defective design and construction, labour, disputes and other unforeseen events. Interruptions in the use of the DUKE arising from such events may reduce our Group's revenue and may increase costs arising from repairs required to be undertaken.

(iii) Operation and maintenance expenses

The operation and maintenance of expressways involves costs and capital expenditure requirements which may increase due to factors which are beyond our control, which include but may not be limited to:

(a) the standards of maintenance of road safety to the expressways imposed by relevant regulatory authorities becoming more stringent;

(b) higher axle loading, traffic volume or environmental stress leading to more extensive or frequent repairs or maintenance costs; or

(c) increases in the prices and cost of materials, labour and supplies due to, amongst others, inflation and supply / demand factors.

(iv) Expiration or termination of concession

The Government may terminate the toll concession of a toll concessionaire if amongst others, an event of default has been declared. Pursuant to the Concession Agreement, events of default shall occur if at any time during the concession period:-

(a) Kesturi assigns the whole or any part of the Concession Agreement save and except in relation to the assignment as allowed there under;

(b) an order is made or a resolution is passed for the winding-up of Kesturi, except for the purpose of reconstruction or amalgamation not involving the realisation of assets in which the interest of creditors are protected;

(c) Kesturi goes into liquidation or a receiver is appointed over its assets or Kesturi makes an assignment for the benefit of or enters into an arrangement or composition with its creditors or stops payment or is unable to pay its debts; or

(d) Execution is levied against a substantial portion of Kesturi's assets, unless it has instituted proceedings in good faith to set aside such execution.

In the event the Concession Agreement is terminated, our Group's source of revenue from the toll operations segment would cease.

Other general risks relating to our Group

(i) Non-renewal of or failure to obtain licences, permits and certificates

Our Group has obtained all requisite licences, permits and certificates for our current business operations. However, some of these licences, permits and certificates (i.e. construction licences) are subject to periodic review and renewal by the relevant government authorities. In addition, the standard of compliance required may from time to time be subjected to changes. Non-renewal of our Group's licences, permits, certificates and/or changes imposed on the terms and conditions of licensing may have a material adverse impact on our business operations, hence affecting our financial position.

Our Group may also need to apply from time to time for new licences, permits or certificates for the construction of our new projects. Failure to obtain such licences, permits and certificates may cause disruption or delay in relation to such new projects.

Although our Group has not experienced any difficulty in obtaining and maintaining the requisite licences and permits in the past and does not foresee any potential issues arising from the renewal of our existing permits and licences, there is no assurance that the existing licences and permits will be renewed, or renewed within the anticipated timeframe, or that any new licences required by our Group will be obtained or obtained in a timely manner.

(ii) Dependence on our Board, senior management and skilled personnel

The success of our Group is dependent upon the abilities and continued efforts of our Directors, key management team and skilled personnel. Our continued success depends on our ability to soundly manage our business operations which is to a large extent attributable to our experienced senior management team headed by our Board. Our management team's extensive knowledge and experience serves as the foundation for the strategic decision-making that has driven our development and growth, and will continue to propel the future expansion of our Group.

Another key factor to our success is our ability to attract and retain skilled personnel. In this respect, the continued services of our Directors, key management and skilled workers is critical for our continued and future performance.

Hence, any significant or sudden loss of our Directors, senior management or skilled personnel may adversely affect our business and financial performance.

We endeavor to continue to attract and retain key personnel by implementing comprehensive human resource strategies, including competitive remuneration packages and training programs with the objective of grooming and developing younger management personnel. In this respect, we had on 8 May 2014, obtained Shareholders' approval to undertake the ESOS, as a measure to effectively retain our Directors, employees and senior management. These programs are expected to enhance the motivation of our Directors, employees and senior management to carry out their daily duties while at the same time serving as a retention tool.

(iii) Covenants of borrowings

We have various credit facilities to finance our operations and business activities. As at the LPD, we have bank term loans, IMTNs and various other borrowings outstanding totaling about RM2.07 billion. The agreements for such credit facilities contain amongst others, covenants that may limit our Group's future operating and financing flexibility. Certain plans may be restricted or may require the consent or approval from the relevant financial institutions or holders. A breach of any covenant may result in the termination and/or enforcement of securities granted for the relevant credit facility. Our Board is aware of such convenants and shall take all necessary precautions to prevent any breach of our agreements with the relevant financial institutions or holders. As at the LPD, there has not been any breach of covenant in the past which resulted in the termination and/or enforcement of securities for credit facilities granted to the Company.

7.3 Risks of the Acquisition

(i) Forward looking statement risks

The Purchase Consideration for the Acquisition was arrived at after taking into account the basis described in Section 3.1 above. The basis was derived from certain assumptions regarding future events and actions which our Directors expect to take place which include amongst others, Kesturi's performance over the course of the remaining concession period, which are forward looking in nature and may or may not materialise. Such expectations of future performance are inherently subject to uncertainties and possible contingencies and as such, there can be no certainty that such assumptions will materialise as projected or that the financial benefits from the Acquisition will commensurate with the Purchase Consideration paid. Although the Acquisition is expected to enhance the earnings of our Group going forward, there can be no assurance that the current financial performance of Kesturi will be sustainable in the future or that Kesturi will be able to generate sufficient revenue to offset the associated investment cost of the Balance 30% Interest. There is also no guarantee that the anticipated benefits from the Acquisition will be realized to generate reasonable returns to us in the future.

Any differences in the expectations of our Group from Kesturi's actual performance such as not being able to achieve the forecasted traffic flow of the DUKE, may affect our Group's financial performance. Furthermore, in the event that there is any diminution in the value of our investment in the Acquisition, our Group's financial results will ultimately be affected.

(ii) **The exit of joint venture partner**

The operation and maintenance of a highway concession is subject to risks such as low traffic volume, expiration or termination of concession as well as escalation of operation and maintenance costs, which our Company is typically exposed to as the operation and maintenance of the DUKE is part of our business activities through our 70% effective shareholding in Kesturi. However, upon completion of the Acquisition and pursuant to the exit of MRCB as a joint-venture partner in Nuzen, such risks will be borne entirely by us and any impact to the profits of the DUKE as a result of the occurrence of such events will be fully recognized by our Company, through the full consolidation of the financial results of Nuzen and Kesturi.

Furthermore, following the Acquisition, any future financing requirements of Nuzen and Kesturi will be borne entirely by us which may place significant strain on the cash flows and/or gearing of our Group.

There can be no assurance that the exit of MRCB as a partner in Nuzen will not have a material adverse effect on Nuzen and Kesturi's financial performance.

8. INDUSTRY OVERVIEW AND FUTURE PROSPECTS

Information in the ensuing Sections 8.1, 8.2, 8.3 and 8.4 have been extracted from the most recent available government publications or other publicly available sources.

8.1 Overview and outlook for the Malaysian economy

The Malaysian economy remains resilient despite facing a more challenging external environment. The uncertainty over the strength of China's economic growth and the possible tapering of the quantitative easing program in the United States of America have given rise to greater global economic and financial uncertainties. Against this backdrop, Malaysia being a highly open economy was also effected, with gross exports recording a negative growth of 3.8% during the first half of 2013. Nevertheless, stong domestic demand was able to cushion the negative impact from the external sector. The economy registered real GDP growth of 4.2% during the period. Supported by the resilient domestic economy and improving exports during the second half of 2013, the Malaysian real GPD is estimated to register a growth of 4.5% - 5.0% in 2013.

The Malaysian economy is expected to expand further by 5% - 5.5% in 2014 (2013: 4.5% - 5%), supported by favourable domestic demand and an improving external environment. Growth will be private-led, supported by strong private capital spending while private consumption continues to remain resilient. Although some degree of uncertainty exists in the global environment due to the volatility of capital flows associated with the possibility of reduced global liquidity. Malaysia's external sector is expected to improve. This is in tandem with the continued recovery of growth across advanced economies as well as stronger regional trade activities which is evident in the second half of 2013. The better outlook of Malaysia's external sector is premised upon China's real GDP growth, which is expected to be sustained at around 7.5%, while global trade will continue to grow at a steady pace of 5% in 2014.

Domestic demand is expected to continue its strong growth momentum, driven mainly by the private sector. Strong domestic fundamentals, including low unemployment, rising household income and sustained consumer confidence, will support the continued expansion of private consumption. Growth in private investment is expected to remain strong in line with improving external demand and increasing domestic activity. Public expenditure will be largely underpinned by increased spending on supplies and services.

Malaysia's macroeconomic fundamentals are expected to remain strong. Of significance, labour market conditions are expected to be favourable with the unemployment rate at 3.1%. The labour market is expected to be supported by increased employment, particularly in the services-related industries and export-oriented manufacturing industries in tandem with strong domestic consumption and improving external demand. Headline inflation is expected to remain manageable at 2%-3% in 2014. The increase in the consumer price index largely reflects fuel price adjustment in September 2013. Global food prices, as reported by the Food and Agriculture Organization of the United Nations, are expected to remain stable as food commodity markets are projected to be more balanced in 2013 and 2014. Domestic demand-driven inflation is expected to remain modest, amid increased capacity expansion and improved productivity. Producer cost pressure is expected to remain muted given the stable energy and commodity prices. Hence, the nominal gross national income per capita is expected to increase 6.2% to RM34,126 (2013: 4.2%; RM32,144). In terms of purchasing power parity, per capita income is expected to increase 2.6% to reach USD17,173 (2013: 1.3%; USD16,743).

(Source: Economic Report 2013/2014, Ministry of Finance)

8.2 Overview and outlook of construction industry in Malaysia

The construction sector (as measured by value-added) grew 12% during the first six (6) months in 2013 (January - June 2013: 18.5%) attributed to ongoing civil engineering and residential activities. The total value of construction work during the first half of 2013 rose 13.8% to RM43.3 billion (January - June 2012: 24.6%, RM38.1 million) with the highest share contributed by civil engineering at 36.1%, followed by the non-residential (31.9%) and residential (27.5%) subsectors.

Growth in the construction sector is projected to increase at a moderate pace of 9.6% in 2014 (2013: 10.6%) due to slower construction activity in the civil engineering subsector following the completion of several major infrastructure projects. However, the acceleration in implementation of transport and oil & gas related civil engineering projects will continue to support growth. Meanwhile, the residential subsector is expected to remain strong in view of the increased demand for housing, particularly from the middle-income group. The implementation of PR1MA housing project is expected to accelerate to meet the target of providing 80,000 units of houses for the middle-income group by 2015. Activity in the non-residential subsector is expected to remain stable, albeit at a moderate pace, supported by buoyant business and industrial activities as well as improved consumer sentiment.

(Source: Economic Report 2013/2014, Ministry of Finance)

8.3 Overview and outlook of real estate industry in Malaysia

The real estate and business services sector grew 6.6% during the first six (6) months in 2013 (January - June 2012: 7.3%). The growth in the real estate segment was mainly contributed by the high-end property market. This was reflected by a slight increase in value of residential property transactions at 1% (January - June 2012: 8%) despite a 12.6% decline in transaction volume (January - June 2012: 1.5%).

The sector is estimated and forecasted to increase 6.8% in 2013 and 2014 respectively (2012: 7.2%).

The residential segment expanded 15.7% (January - June 2012: 22.0%) supported by strong demand and reflected in higher construction activities with housing starts rising 20.3% to 73,804 units (January - June 2012: 13.8%, 61,351 units). Meanwhile, units from new launches dropped 45.4% to 17,105 units (January - June 2012: -6.9%, 31,305 units). Sale of new launches remained favourable with a take-up rate of 21.8% (January - June: 15.6%). In line with the increasing demand, the property overhang declined 9.5% to 14,567 units (end June 2012: -27.7%, 16,098 units) amid the better sales performance of the residential segment.

To address concerns on excessive speculation activity and rising property prices, the Government has responded with measures such as increasing the RPGT rates, lowering the LTV ratio, increasing the supply of affordable homes and tightening bank lending regulations.

(Source: Economic Report 2013/2014, Ministry of Finance)

8.4 Prospects of the DUKE

The DUKE will remain an attractive alternative and in some cases, a primary access for the upcoming developments in Northern Klang Valley and will be a major East-West link in the northern corridor linking major conurbations such as:-

- Sungai Buloh / Bandar Sri Damansara;
- Kepong / Bandar Sri Manjalara;
- Selayang / Jinjang;
- Kota Damansara / Taman Tun Dr. Ismail / Bukit Lanjan;
- Sri Hartamas / Mont Kiara;
- Kuala Lumpur;
- Gombak / Sentul;
- Ampang / Ulu Kelang;
- Wangsa Maju / Melawati; and
- Melawati / Ukay Perdana.

In addition to providing a major link between the conurbations above, the DUKE with its toll free and dual-three lane upgrade of the Karak Link has now provided a major linkage to the Ulu Yam area where existing and future developments near the Universiti Islam Antarabangsa Malaysia are being planned.

Further, the DUKE will play an important role as an expressway link between the North South Expressway and the East Coast Expressway. This will help alleviate the traffic congestion on the Middle Ring Road 2 and other state and federal roads as there is a dedicated expressway standard bypass from the east to the est and vice versa.

In addition, the future prospects of the toll operations are dependent on traffic volume which will generally be driven by the following factors:-

(i) Malaysian economy and vehicle growth

Since the economy downturn in 1998, the growth in Malaysia's GDP has been positive up until the subsequent èconomic downturn in 2008/2009 where the GDP shrank by -1.7% in 2009 but rebounded strongly at a rate of 7.2% in 2010 as well as 5.1% and 5.6% in 2011 and 2012 respectively. As a reference, the GDP growth for Selangor and Kuala Lumpur for 2012 was 7.1% and 7.2%, respectively.

The Malaysian economy expanded by 4.7% in 2013, driven by the continued strong growth in domestic demand. Despite the weaker external environment in the first half of the year, domestic demand remained resilient throughout the year, led by robust private sector activity. Private consumption was strong, supported mainly by favourable employment conditions and wage growth. Private investment registered a strong growth in 2013, continuing the momentum from the previous year.

The real GDP growth of Malaysia for the nine (9) most recent years as well as forecast for 2014 is shown below:-

Year	GDP growth (%)
2005	5.2
2006	5.9
2007	6.3
2008	4.6
2009	-1.7
2010	7.2
2011	5.1
2012	5.6
2013	4.7

(Source: Annual reports, Bank Negara Malaysia)

Year	GDP growth (%)
2014 (forecast)	5.0 - 5.5

(Source: Economic Report 2013/2014, Ministry of Finance, Malaysia)

Based on data from the Road Transport Department Malaysia, the number of new vehicle registration (motorcar and commercial vehicles) in Malaysia grew from 571,432 units in 2005 to 668,981 units in 2012, reflecting an annual average growth rate of 2.3%.

The anticipated positive GDP growth in 2014, coupled with the population growth and employment growth as detailed in Sections 8.4(ii) and 8.4(iii) below, are expected to contribute to a further increase in vehicle growth, particularly in Selangor and Kuala Lumpur.

(Source: Road Transport Department Malaysia website, http://www.jpj.gov.my/en/statistics accessed on 19 February 2014)

(ii) Population growth

Based on data from the Department of Statistics, Malaysia, the population of Malaysia has grown from 24.7 million in 2002 to 29.9 million in 2013. This corresponds to an average annual growth rate of 1.8%.

Specifically, from 2010 to 2013, the combined population of Selangor and Kuala Lumpur grew at an average rate of 1.7% per annum to 7.5 million in 2013. The proportion of the combined population of Selangor and Kuala Lumpur to the total Malaysian population stood at 25.1% in 2013.

It is estimated that the Malaysian population will continue to grow to reach 30.5 million and 32.4 million in 2015 and 2020 respectively.

(Source: Department of Statistics, Malaysia website, http://www.statistics.gov.my accessed on 19 February 2014)

(iii) Employment growth

In 2000, Selangor and Kuala Lumpur's combined share of the total employment of the nation was 25.3%. Over the years, the ratio has seen a notable increase to 28.% in 2012.

The table below depicts the amount of employed persons in Malaysia as a whole and specifically in Selangor and Kuala Lumpur:-

	2000 ('000)	2011 ('000)	2012 ('000)	Growth per annum
Malaysia	9,269.2	12,284.4	13,119.6	2.9%
Kuala Lumpur	662.8	811.8	846.5	2.1%
Selangor	1,681.5	2,679.2	2,828.7	4.4%

(Source: Department of Statistics, Malaysia website, http://www.statistics.gov.my accessed on 19 February 2014)

In view of the above, coupled with the expected completion of the DUKE Phase-2 in end of year 2016, the traffic volume to the DUKE is expected to increase over the long term.

8.5 Prospects of our Group

In arriving at the prospects of our Group, our Board has taken into consideration the prevailing conditions and outlook of the Malaysian economy, the construction, real estate and toll operations industries in Malaysia as discussed in Sections 8.1, 8.2, 8.3 and 8.4.

Moving forward, our Board expects that the performance of our Group's construction division to be more encouraging as our Group had secured a three (3)-year contract for the construction of the DUKE Phase-2 for RM1.18 billion which had commenced in the last quarter of 2013. As at the LPD, our Group's overall outstanding construction order book stood at approximately RM1.44 billion which excludes a RM824 million construction contract awarded internally from Ekovest Capital Sdn Bhd (formerly known as Prompt Capital Sdn Bhd), a wholly-owned subsidiary of Ekovest, to ECSB for the construction of EkoCheras.

Our Group had also launched its maiden property development project, namely the EkoCheras in 2013, which consists of service apartments, retail shops and shop offices. EkoCheras is expected to have a GDV of approximately RM1.63 billion and is expected to be completed in end of calendar year 2017. Further, our Group also has a ten (10)-year development plan for the remaining 22 acres land bank located in Kuala Lumpur with an estimated GDV of approximately RM4.0 billion based on initial planning estimates.

In view of the above, coupled with the favourable industry outlook as discussed in Sections 8.2, 8.3 and 8.4, our Board is optimistic on our Group's prospects.

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9. FINANCIAL EFFECTS OF THE RIGHTS ISSUE WITH WARRANTS

9.1 Share capital

The proforma effects of the Share Split and Rights Issue With Warrants on the issued and paid-up share capital of our Company are shown below:-

	Par value (RM)	No. of Ekovest Shares	RM
Issued and paid-up share capital			
Issued and paid-up share capital as at the LPD	1.00	305,517,450	305,517,450
After the Share Split	0.50	611,034,900	305,517,450
To be issued pursuant to the Rights Issue With Warrants	0.50	244,413,960	122,206,980
	0.50	855,448,860	427,724,430
To be issued assuming full exercise of the Warrants	0.50	122,206,980	61,103,490
Enlarged issued and paid-up share capital	**0.50**	**977,655,840**	**488,827,920**

9.2 Earnings and EPS

The Rights Issue With Warrants is not expected to have an immediate material effect on the earnings of our Company for the FYE 30 June 2014 as the Rights Issue With Warrants is expected to be completed by the second (2^{nd}) quarter of 2014.

However, the consolidated EPS of our Company is expected to be diluted as a result of the increase in the number of Ekovest Shares in issue after the Rights Issue With Warrants. Nevertheless, our Board expects the Rights Issue With Warrants to contribute positively to the future earnings of our Group via the utilisation of the proceeds to fund the Acquisition or the development of EkoCheras, both of which are expected to contribute to the future earnings of our Group over the long-term. However, this will ultimately depend on, amongst others, the financial performance of Kesturi over the course of the DUKE's remaining concession period and/or EkoCheras, where applicable.

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9.3 NA and gearing

Based on the latest audited consolidated financial statements of our Group for the FYE 30 June 2013, the proforma effects of the Rights Issue With Warrants on the consolidated NA per Ekovest Share and gearing of our Group are as follows:-

		(I)	(II)	(III)	(IV)	(V)
	Audited as at 30 June 2013	**After adjusted for subsequent events [1]**	**After (I) and the Share Split**	**After (II) and the Rights Issue With Warrants**	**After (III) and the Acquisition**	**After (IV) and assuming full exercise of the Warrants**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Share capital	305,517	305,517	305,517	427,724	427,724	488,828
Share premium	245,599	245,599	245,599	364,806[2]	364,806	502,900
Warrant reserve	-	-	-	34,218 [3]	34,218	-
Capital Reserve	242	242	242	242	242	242
Retained profits	228,066	228,066	228,066	193,848 [4]	240,705	240,705
Shareholders equity / NA	**779,424**	**779,424**	779,424	**1,020,838**	**1,067,695**	**1,232,675**
Number of ordinary shares ('000)	305,517	305,517	611,035	855,449	855,449	977,656
NA per Ekovest Share (RM)	2.55	2.55	1.28	1.19	1.25	1.26
Total borrowings	774,042	1,933,092 [1]	1,933,092	1,933,092	1,798,262 [5]	1,798,262
Gearing ratio (times)	0.99	2.48	2.48	1.89	1.68	1.46

Notes:-

(1) After taking into consideration the issuance of RM2,300 million (in nominal value) of IMTNs and RM180 million (in nominal value) of redeemable secured junior bonds issued by Kesturi on 2 December 2013, after netting off the redemption of Kesturi's previous senior sukuk (of RM820 million in nominal value) and junior bonds (of RM50 million in nominal value, of which 70% would be eliminated in Ekovest's consolidated financial statements).

(2) After deducting estimated expenses to be incurred for the Rights Issue With Warrants of approximately RM3.0 million.

(3) Based on the issuance of 122,206,980 Warrants at an allocated fair value of RM0.28 per Warrant.

(4) After accounting for the warrants reserve based on the issuance of 122,206,980 Warrants at an allocated fair value of RM0.28 per Warrant.

(5) The RM180 million (in nominal value) of redeemable secured junior bonds and Kesturi RPS A issued by Kesturi are fully eliminated.

10. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS

10.1 Working capital

Our Board is of the opinion that, after taking into account the funds generated from our operations, the banking facilities available to our Group as well as the proceeds to be raised from the Rights Issue With Warrants, our Group will have sufficient working capital available for a period of twelve (12) months from the date of this Abridged Prospectus.

10.2 Borrowings

As at the LPD, our Group's total outstanding borrowings (all of which are interest/dividend-bearing and are denominated in RM) are as follows:-

	RM'000
Short-term borrowings (payable within twelve (12) months)	
Hire purchase liabilities	2,341
Overdraft and short term borrowings	100,005
Total short-term borrowings	**102,346**
Long-term borrowings (payable after twelve (12) months)	
Hire purchase liabilities	4,575
Bank term loans	138,879
IMTN	1,665,130
Series A redeemable preference shares	107,505
Redeemable secured junior bonds	52,597
Total long-term borrowings	**1,968,686**
Total borrowings	**2,071,032**

Other than disclosed above, our Group does not have any other borrowings. There has not been any default on payments of either interest and/or principal sums on any of the above borrowings throughout the past one (1) financial year, and subsequent financial period up to the LPD.

10.3 Contingent liabilities

Save as disclosed below, as at the LPD, there are no other contingent liabilities which upon becoming enforceable may have a material impact on our Company's financial position.

	RM'000
Corporate guarantees given to licensed financial institutions for credit facilities granted to subsidiaries	33,268
Deed of undertaking pursuant to the RM2,300 million (in nominal value) IMTNs issued by Kesturi	42,000
	75,268

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10.4 Material commitments

Save as disclosed below, as at the LPD, there are no other material commitments which upon becoming enforceable may have a material impact on our Group's financial position.

		RM'000
Capital expenditure in respect of the purchase of properties:-		
-	Contracted but not provided for	768

The above capital commitments will be funded by internally generated funds and/or bank borrowings.

11. TERMS AND CONDITIONS

The issuance of the Rights Shares and Warrants pursuant to the Rights Issue With Warrants is governed by the terms and conditions set out in this Abridged Prospectus, and the accompanying NPA and RSF.

12. FURTHER INFORMATION

You are advised to refer to the attached Appendices for further information.

Yours faithfully
For and on behalf of our Board
EKOVEST BERHAD

Datuk Lim Keng Cheng
Managing Director

APPENDIX I - CERTIFIED TRUE EXTRACT OF THE ORDINARY RESOLUTION PERTAINING TO THE RIGHTS ISSUE WITH WARRANTS PASSED AT OUR EGM CONVENED ON 8 MAY 2014

EKOVEST BERHAD [132493-D]
(Incorporated in Malaysia)

EXTRACT OF THE MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF EKOVEST BERHAD HELD AT GRAND SEASONS HOTEL, 72 JALAN PAHANG, 53000 KUALA LUMPUR ON THURSDAY, 8 MAY 2014 AT 11.00 A.M.

ORDINARY RESOLUTION 3

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF NEW EKOVEST SHARES ("RIGHTS SHARES") TOGETHER WITH FREE DETACHABLE WARRANTS ("WARRANTS") AT AN ISSUE PRICE AND ENTITLEMENT DATE TO BE DETERMINED LATER ("PROPOSED RIGHTS ISSUE WITH WARRANTS")

Ms. Chia Chin Piow proposed that the following be passed as an ordinary resolution:-

"THAT, subject to the approval of all relevant authorities, including but not limited to the approval-in-principle being obtained from Bursa Securities for the listing of and quotation for all the Rights Shares and Warrants to be issued hereunder and all the new Ekovest Shares to be issued arising from the exercise of the Warrants (whether in its original form or with or subject to any condition, modification, variation and/or amendment imposed by Bursa Securities), the approval be and is hereby given to the Board to:-

i. allot and issue up to 244,413,960 Rights Shares at an issue price to be determined later to the shareholders of the Company whose names appear on the record of depositors at the close of business on a date to be determined by the Directors and to be announced by the Company ("Entitled Shareholders") on the basis of two (2) Rights Shares for every five (5) existing Ekovest Shares of RM0.50 each;

ii. allot and issue up to 122,206,980 Warrants to the Entitled Shareholders who have successfully applied for the Rights Shares on the basis of one (1) Warrant for every two (2) Rights Shares of RM0.50 each;

iii. constitute the Warrants upon the terms and conditions of a deed poll to be executed by the Company ("Deed Poll");

iv. allot and issue such other additional Warrants ("Additional Warrants") and to adjust from time to time the exercise price of the Warrants as may be required or permitted to be issued / adjusted as a result of any adjustment under the provisions of the Deed Poll and/or to effect such modifications, variations and/or amendments as may be imposed, required or permitted by Bursa Securities and any other relevant authorities or parties or otherwise; and

v. allot and issue up to 122,206,980 new Ekovest Shares of RM0.50 each arising from the exercise of Warrants and such number of new Ekovest Shares arising from the exercise of the Additional Warrants.

AND THAT any Rights Shares which are not validly taken up or which are not allotted for any reasons whatsoever shall be made available for excess applications and the Board be and is hereby authorised to allocate the excess Rights Shares in a fair and equitable manner on a basis to be determined by the Board in their absolute discretion.

...2/-

EKOVEST BERHAD [132493-D]
EXTRACT OF THE MINUTES OF THE EXTRAORDINARY GENERAL MEETING

AND THAT in the event the Ordinary Resolution 2 is not approved or carried out for any reason whatsoever, the Board be and is hereby authorised to adjust the number of Rights Shares and Warrants to reflect the par value of the then Ekovest Shares at RM1.00 each.

AND THAT the Board be and is hereby entitled to deal with all or any of the fractional entitlement of the Rights Shares and Warrants arising from the Proposed Rights Issue with Warrants, which are not validly taken up or which are not allotted for any reason whatsoever, in such manner as the Board may in their absolute discretion deems fit and in the best interest of the Company.

AND THAT the proceeds of the Proposed Rights Issue with Warrants be utilised for the purposes as set out in Section 7 of the Circular to Shareholders of the Company dated 11 April 2014, and the Board be authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, subject (where required) to the approval of the relevant authorities;

AND THAT all the Rights Shares and new Ekovest Shares to be issued herein shall rank pari passu in all respects with the existing Ekovest Shares except that they will not be entitled to any rights, dividends, allotment and/or other distributions for which the relevant entitlement date (namely the date as at the close of business on which shareholders must be registered in order to be entitled to any dividends, rights, allotments or other distributions) precedes the relevant issue date of the said shares.

AND THAT the Board be and is further authorised to do all acts, deeds and things and execute all necessary documents as they may deem fit or expedient in order to carry out, finalise and give effect to the Proposed Rights Issue with Warrants with full powers to assent to or make any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all steps as they may consider necessary or expedient in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Rights Issue with Warrants."

Ms. Deng Hie Lang @ Teng Hieh Lang seconded the resolution which was put to the meeting and is to be decided by a show of hands.

The resolution was approved and adopted.

SIGNED AS A CORRECT RECORD,

DATUK LIM KENG CHENG
Director

KANG HUI LING
Director

1. HISTORY AND PRINCIPAL ACTIVITIES

Our Company was incorporated in Malaysia under the Act on 2 January 1985 as a private limited company under the name of Ekovest Bina Sdn Bhd. On 14 August 1992, our Company changed its name to Ekovest Sdn Bhd. On 28 August 1992, we were converted to a public company under the current name. On 13 March 2000, we were listed on the Main Board (now know as Main Market) of Bursa Securities. Our Company is listed on the Main Market of Bursa Securities under the Construction sector. Our Company is principally engaged in investment holding, civil engineering and building works. The principal activities of the subsidiaries are disclosed in Section 5 of this Appendix.

2. SHARE CAPITAL

Our Company's authorised share capital, and issued and paid-up share capital as at the LPD are as follows:-

	No. of ordinary shares	Par value RM	Total RM
Authorised share capital	1,000,000,000	1.00	1,000,000,000
Issued and paid-up share capital	305,517,450	1.00	305,517,450

Note:- Upon completion of the Share Split, the authorised share capital of Ekovest will be RM1,000,000,000 comprising of 2,000,000,000 Ekovest Shares while the issued and paid-up share capital will be RM305,517,450 comprising of 611,034,900 Ekovest Shares.

Details of the changes in our Company's issued and fully paid-up share capital for the last three (3) years up to the LPD are as follows:-

Date of allotment	No. of ordinary shares allotted	Par Value RM	Consideration / Type of Issue	Cumulative no. of issued and paid-up share capital
07.05.2013	126,723,735	1.00	As consideration for the Share Exchange	305,517,450

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3. **Substantial shareholders' shareholdings**

The substantial shareholders of Ekovest as at the LPD and the effects of the Rights Issue With Warrants on their shareholdings in Ekovest, for illustrative purposes, are as follows:-

	As at the LPD				(I) After the Share Split				(II) After (I) and the Rights Issue With Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	No. of ordinary shares	%	No. of ordinary shares	%	No. of Ekovest Shares	%	No. of Ekovest Shares	%	No. of Ekovest Shares	%	No. of Ekovest Shares	%
TSDLKH	61,672,175	20.19	37,250,000[(1)]	12.19	123,344,350	20.19	74,500,000[(1)]	12.19	172,682,090	20.19	104,300,000[(1)]	12.19
Kota Jayasama Sdn Bhd	61,582,879	20.16	-	-	123,165,758	20.16	-	-	172,432,061	20.16	-	-
EHSB	37,250,000	12.19	-	-	74,500,000	12.19	-	-	104,300,000	12.19	-	-
Khoo Nang Seng @ Khoo Nam Seng	17,706,000	5.80	-	-	35,412,000	5.80	-	-	49,576,800	5.80	-	-
LSHH	11,955,600	3.91	3,870,300[(2)]	1.27	23,911,200	3.91	7,740,600[(2)]	1.27	33,475,680	3.91	10,836,840[(2)]	1.27
Fablelite Sdn Bhd	3,870,300	1.27	-	-	7,740,600	1.27	-	-	10,836,840	1.27	-	-
Dato' Haris	-	-	61,582,879[(3)]	20.16			123,165,758[(3)]	20.16			172,432,061[(3)]	20.16
Datuk Lim Keng Cheng	-	-	15,825,900[(4)]	5.18			31,651,800[(4)]	5.18			44,312,520[(4)]	5.18
Lim Keng Guan	-	-	15,825,900[(4)]	5.18			31,651,800[(4)]	5.18			44,312,520[(4)]	5.18
Lim Keng Hun	-	-	15,825,900[(4)]	5.18			31,651,800[(4)]	5.18			44,312,520[(4)]	5.18
Lim Pak Lian	-	-	15,825,900[(4)]	5.18			31,651,800[(4)]	5.18			44,312,520[(4)]	5.18

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APPENDIX II - INFORMATION ON OUR COMPANY (CONT'D)

Name	(III) After (II) and assuming full exercise of the Warrants			
	Direct		Indirect	
	No. of Ekovest Shares	%	No. of Ekovest Shares	%
TSDLKH	197,350,960	20.19	119,200,000 [(1)]	12.19
Kota Jayasama Sdn Bhd	197,065,213	20.16	-	-
EHSB	119,200,000	12.19	-	-
Khoo Nang Seng @ Khoo Nam Seng	56,659,200	5.80	-	-
LSHH	38,257,920	3.91	12,384,960 [(2)]	1.27
Fablelite Sdn Bhd	12,384,960	1.27	-	-
Dato' Haris	-	-	197,065,213[(3)]	20.16
Datuk Lim Keng Cheng	-	-	50,642,880 [(4)]	5.18
Lim Keng Guan	-	-	50,642,880 [(4)]	5.18
Lim Keng Hun	-	-	50,642,880 [(4)]	5.18
Lim Pak Lian	-	-	50,642,880 [(4)]	5.18

Notes:-

(1) *Deemed interested by virtue of his direct interest in EHSB pursuant to Section 6A of the Act.*
(2) *Deemed interested by virtue of its direct interest in Fablelite Sdn Bhd pursuant to Section 6A of the Act.*
(3) *Deemed interested by virtue of his direct interest in Kota Jayasama Sdn Bhd pursuant to Section 6A of the Act.*
(4) *Deemed interested by virtue of his/ her direct interest in LSHH and Fablelite Sdn Bhd pursuant to Section 6A of the Act.*

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4. DIRECTORS

The details of our Board as at the LPD are set out in the table below:-

Name *(Designation)*	Age	Address	Nationality	Profession
Tan Sri Dato' Lim Kang Hoo *(Executive Chairman)*	59	7, Jalan Titiwangsa, Setapak, 53200 Kuala Lumpur	Malaysian	Company Director
Datuk Lim Keng Cheng *(Managing Director)*	52	No. 229-A, Batu 4, Jalan Gombak, 53000 Kuala Lumpur	Malaysian	Company Director
Khoo Nang Seng @ Khoo Nam Seng *(Executive Director)*	74	15, Jalan Tasek, Taman Tasek, 80200 Johor Bahru, Johor	Malaysian	Company Director
Lim Hoe *(Executive Director)*	62	284-06-01, The Heritage Condominium, 3 1/2 Miles, Jalan Pahang, Off Jalan Setapak, 53000 Kuala Lumpur	Malaysian	Company Director
Kang Hui Ling *(Senior Independent & Non-Executive Director)*	42	TA-05-01, Crystal Tower, Cangkat Bukit Indah 2, Bukit Indah, 68000 Ampang, Selangor	Malaysian	Company Director
Lim Ts-Fei *(Independent & Non-Executive Director)*	51	135, Jalan Hujan Manik, Taman Overseas Union, Jalan Klang Lama, 58200 Kuala Lumpur	Malaysian	Advocate & Solicitor
Dr. Wong Kai Fatt *(Independent & Non-Executive Director)*	67	16, Jalan 17/35, Taman Tan Sri Lee Yan Lian, 46400 Petaling Jaya, Selangor	Malaysian	General Medical Practitioner
Chow Yoon Sam *(Independent & Non-Executive Director)*	68	No. 23, Jalan SS 3/78, 47300 Petaling Jaya, Selangor	Malaysian	Company Director
Lee Wai Kuen *(Independent & Non-Executive Director)*	48	No. 10, Jalan Midah 7, Taman Midah, 56000 Kuala Lumpur	Malaysian	Company Director
Lim Chen Herng *(Alternate Director to Tan Sri Dato' Lim Kang Hoo)*	27	7, Jalan Titiwangsa, Setapak, 53200 Kuala Lumpur	Malaysian	Company Director
Lim Ding Shyong *(Alternate Director to Datuk Lim Keng Cheng)*	26	No.1, Jalan Air Molek Satu, Taman Tasik Titiwangsa, 53200 Kuala Lumpur	Malaysian	Company Director
Wong Khai Shiang *(Alternate Director to Lim Hoe)*	35	No. 11, Jalan Bunga, Rampai, Taman P. Ramlee, 53000 Kuala Lumpur	Malaysian	Company Director

APPENDIX II - INFORMATION ON OUR COMPANY (CONT'D)

Save as disclosed below, none of our Company's Directors have any direct and/or indirect shareholding in our Company as at the LPD.

Name	As at the LPD				(I) After the Share Split			
	Direct		Indirect		Direct		Indirect	
	No. of ordinary shares	%	No. of ordinary shares	%	No. of Ekovest Shares	%	No. of Ekovest Shares	%
TSDLKH	61,672,175	20.19	37,250,000[(1)]	12.19	123,344,350	20.19	74,500,000[(1)]	12.19
Khoo Nang Seng @ Khoo Nam Seng	17,706,000	5.80	-	-	35,412,000	5.80	-	-
Datuk Lim Keng Cheng	-	-	15,825,900[(2)]	5.18	-	-	31,651,800[(2)]	5.18
Lim Hoe	1,356,000	0.44	-	-	2,712,000	0.44	-	-
Kang Hui Ling	-	-	-	-	-	-	-	-
Lim Ts-Fei	-	-	-	-	-	-	-	-
Dr. Wong Kai Fatt	-	-	-	-	-	-	-	-
Chow Yoon Sam	20,000	0.01	-	-	40,000	0.01	-	-
Lee Wai Kuen	-	-	-	-	-	-	-	-
Lim Chen Herng	-	-	-	-	-	-	-	-
Lim Ding Shyong	-	-	-	-	-	-	-	-
Wong Khai Shiang	-	-	-	-	-	-	-	-

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APPENDIX II - INFORMATION ON OUR COMPANY (CONT'D)

Name	(II) After (I) and the Rights Issue With Warrants [3]				(III) After (II) and assuming full exercise of the Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Ekovest Shares	%	No. of Ekovest Shares	%	No. of Ekovest Shares	%	No. of Ekovest Shares	%
TSDLKH	172,682,090	20.19	104,300,000[1]	12.19	197,350,960	20.19	119,200,000 [1]	12.19
Khoo Nang Seng @ Khoo Nam Seng	49,576,800	5.80	-	-	56,659,200	5.80	-	-
Datuk Lim Keng Cheng	-	-	44,312,520[2]	5.18			50,642,880 [2]	5.18
Lim Hoe	3,796,800	0.44	-	-	4,339,200	0.44	-	-
Kang Hui Ling	-	-	-	-	-	-	-	-
Lim Ts-Fei	-	-	-	-	-	-	-	-
Dr. Wong Kai Fatt	-	-	-	-	-	-	-	-
Chow Yoon Sam	56,000	0.01	-	-	64,000	0.01	-	-
Lee Wai Kuen	-	-	-	-	-	-	-	-
Lim Chen Herng	-	-	-	-	-	-	-	-
Lim Ding Shyong	-	-	-	-	-	-	-	-
Wong Khai Shiang	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

<u>Notes:-</u>

(1) Deemed interested by virtue of his direct interest in EHSB pursuant to Section 6A of the Act.

(2) Deemed interested by virtue of his direct interest in LSHH and Fablelite Sdn Bhd pursuant to Section 6A of the Act.

(3) Assuming all Entitled Shareholders fully subscribe for their respective entitlements under the Rights Issue With Warrants.

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5. SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINTLY CONTROLLED ENTITIES

Our Company's subsidiaries, associated companies and jointly controlled entities as at the LPD are as follows:-

Company	Date and place of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Effective equity interest (%)	Principal activities
Subsidiaries of Ekovest				
Binawani Sdn Bhd	04.09.1991 Malaysia	562,500	100	Civil engineering and building works
Ekofield Danga Cove Sdn Bhd	28.11.2008 Malaysia	2	51	Inactive
Ekofield Projects Sdn Bhd	28.11.2008 Malaysia	2	51	Inactive
Ekofield Property Sdn Bhd	20.11.2008 Malaysia	2	51	Inactive
Ekovest Brunsfield Holdings Sdn Bhd	15.10.2008 Malaysia	2	51	Investment holding
Ekovest Construction Sdn Bhd	29.10.1992 Malaysia	5,000,000	100	Civil engineering and building works
Ekovest-Faber Sdn Bhd	28.03.2006 Malaysia	3,000,000	60	Inactive
Ekovest Land Sdn Bhd	06.06.2001 Malaysia	2,000,000	100	Investment holding
Ekovest-MRCB Construction Sdn Bhd	26.03.2012 Malaysia	2,000,000	60	Inactive
Ekovest-MRCB JV Sdn Bhd	28.11.2008 Malaysia	154,000	60	Project coordinator and manager for "River of Life" project
Ekovest Oil & Gas Sdn Bhd	19.04.1995 Malaysia	100,000	50	Inactive
Ekovest Project Management Sdn Bhd	08.01.1991 Malaysia	100,000	100	Project management for construction works
Ekovest Properties Sdn Bhd	29.06.2002 Malaysia	1,000,000	100	Property investment
Ekovest World Sdn Bhd	01.04.2011 Malaysia	2	100	Inactive
Heritage Reno Sdn Bhd	24.01.2011 Malaysia	2	100	Property investment
Kesturi	15.02.2001 Malaysia	50,001,950	70	Design, construction, operation, management and maintenance of the DUKE

Company	Date and place of incorporation	Issued and paid-up share capital RM (unless otherwise stated)	Effective equity interest (%)	Principal activities
Milan Energy Sdn Bhd	13.06.1994 Malaysia	500,000	100	Property investment
Milan Prestasi Sdn Bhd	22.08.2002 Malaysia	500,000	100	Property investment
Milan Ventures Sdn Bhd	27.09.1991 Malaysia	3	100	Inactive
Milan Resources Sdn Bhd	13.06.1994 Malaysia	6,120,000	100	Civil engineering and building works
Nuzen	24.04.1999 Malaysia	50,000,000	70	Investment holding
Ekovest Capital Sdn Bhd (formerly known as Prompt Capital Sdn Bhd)	16.06.1999 Malaysia	8,050,000	100	Property investment
Saujarena Bina Sdn Bhd	31.06.1996 Malaysia	2	100	Property investment
Sunview Capital Sdn Bhd	15.05.2012 Malaysia	100,000	100	Property investment
Temasek Megamas Sdn Bhd	21.01.2010 Malaysia	2	100	Property investment
Timur Terang Sdn Bhd	02.07.2002 Malaysia	2	100	Property investment
Wira Kristal	14.12.1992 Malaysia	1,000,028	100	Investment holding

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6. PROFIT AND DIVIDEND RECORD

Our Group's audited consolidated financial statements for the three (3) FYEs 30 June 2011, 2012 and 2013 and the unaudited consolidated results of our Group for nine (9)-month FPE 31 March 2014 are as follows:-

	Audited			Unaudited
	FYE 30 June 2011 RM'000	FYE 30 June 2012 RM'000	FYE 30 June 2013 RM'000	Nine (9)-month FPE 31 March 2014 RM'000
Revenue	128,175	208,948	140,966	182,950
Cost of sales	(103,091)	(136,998)	(78,317)	(97,002)
GP	25,084	71,950	62,649	85,948
Other income	30,705	32,174	46,050	4,925
Administrative and general expenses	(12,931)	(12,583)	(21,906)	(21,002)
Other expenses	(2,638)	(2,521)	(2,727)	(1,696)
Finance costs	(4,660)	(4,834)	(17,318)	(64,840)
Share of results of associates	(2)	(7)	(3)	-
PBT	35,558	84,179	66,745	3,335
Tax expense	(11,208)	(11,535)	(16,710)	(685)
PAT	**24,350**	**72,644**	**50,035**	**2,650**
Attributable to:				
Equity holders of our Company	24,350	72,644	50,071	10,086
Non-controlling interests		-	(36)	(7,436)
	24,350	72,644	50,035	2,650
EBITDA	38,597	84,620	82,269	70,121
GP margin (%)	19.57	34.43	44.44	46.98
Net profit margin (%)	19.00	34.77	35.49	1.45
Weighted average number of shares in issue ('000)	167,803	178,794	199,914	305,517
Earnings per share attributable to owners of our Company -Basic (sen)	14.51	40.63	25.05	3.30
-Diluted (sen)	-	-	-	-
Dividend per share, net of tax (sen)	3.75	3.75	3.75	-

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Commentary

FYE 30 June 2011 (Audited)

Our Group reported revenue of RM128.2 million in FYE 30 June 2011, a decline by RM89.5 million or approximately 41.2% as compared to the revenue of RM217.7 million in the previous financial year. Despite the lower revenue, our Group posted PBT of RM35.6 million in FYE 30 June 2011, which is an increase of RM16.0 million or 81.6% as compared to the PBT of RM19.6 million reported in the previous financial year.

The lower revenue reported was mainly due to the finalisation of our University Malaysia Sabah Project in East Malaysia. Despite lower revenue recorded in FYE 30 June 2011, the increase in the PBT during the financial year was mainly due to recognition of RM20.5 million in the income statement arising from the fair value adjustment of the Kesturi RPS A held as a result of first time adopting FRS 139.

FYE 30 June 2012 (Audited)

Our Group reported revenue of RM208.9 million in FYE 30 June 2012, an increase of RM80.7 million or 62.9% as compared to revenue of RM128.2 million in the previous financial year. In line with the increase in revenue,our Group also posted a higher PBT of RM84.2 million for FYE 30 June 2012, an increase of RM48.6 million or approximately 136.5% as compared to FYE 30 June 2011 which recorded a PBT of RM35.6 million.

Higher revenue and PBT during FYE 30 June 2012 was due to contributions from the completion of three (3) construction projects in Johor during the financial year, of which two (2) projects are in relation to Universiti Tun Hussein Onn Malaysia campus and one (1) project is in relation to Danga Utama.

FYE 30 June 2013 (Audited)

Our Group recorded revenue of RM141.0 million, a decrease of RM67.9 million or approximately 32.5% as compared to revenue of RM208.9 million reported in the previous financial year. Similarly, our Group also posted a lower PBT of RM66.7 million in FYE 30 June 2013, a decrease of RM17.5 million or approximately 20.8% as compared to PBT of RM84.2 million in FYE 30 June 2012. The lower revenue and PBT was mainly attributable to the completion of construction projects in the previous financial year.

The significant increases in other income by RM13.9 million or 43.1%, administrative and general expenses by RM9.3 million or 74.0% and finance cost by RM12.5 million or 258.3% respectively, was mainly attributable to the completion of the Share Exchange in May 2013 whereby the financial results of the Wira Kristal group was consolidated into the Group's financial statement post completion of the exercise. The significant increase in finance cost was due to the consolidation of interest expense arising from the senior Sukuk, junior bonds as well as the Kesturi RPS A which had been issued by Kesturi to finance the construction of the DUKE.

FPE 31 March 2014 (Unaudited)

Our Group reported revenue of RM183.0 million, an increase by RM103.2 million or approximately 129.3% compared to FPE 31 March 2013 of RM79.8 million. The increase is mainly attributable to the consolidation of toll concession revenue derived from Kesturi, in which the Share Exchange was completed in May 2013.

However, our Group's PBT had declined by RM33.5 million or approximately 90.9% compared to FPE 31 March 2013 of RM36.8 million, mainly due to higher interest expense of RM64.8 million as compared to RM4.1 million in FPE 31 March 2013. The higher interest expense incurred during the financial period was due to the interest expenses of the senior Sukuk, junior bonds as well as the Kesturi RPS A which had been issued by Kesturi to finance the construction of the DUKE.

7. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of our Shares traded on Bursa Securities for the past twelve (12) months preceding the date of this Abridged Prospectus are as follows:-

	High	Low
	(RM)	(RM)
2013		
May	3.15	2.55
June	2.90	2.74
July	2.84	2.74
August	2.82	2.53
September	2.80	2.53
October	2.96	2.70
November	2.85	2.68
December	3.00	2.70
2014		
January	2.95	2.68
February	2.81	2.68
March	2.73	2.57
April	2.70	2.58

Last transacted market price on 28 January 2014, being the last Market Day immediately prior to the announcement of the Proposals	2.76
Last transacted market price on the LPD	2.61
The last transacted market price on 27 May 2014, being the Market Day immediately prior to the ex-rights date for the Rights Issue With Warrants	2.80

(Source: Bloomberg)

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MAZARS

AF: 1954

2 0 MAY 2014

The Board of Directors
Ekovest Berhad
Ground Floor
Wisma Ekovest
118, Jalan Gombak
53000 Kuala Lumpur

Dear Sirs

EKOVEST BERHAD
REPORTING ACCOUNTANTS' LETTER ON THE COMPILATION OF PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2013

1. We have completed our assurance engagement to report on the compilation of the Proforma Consolidated Statements of Financial Position of Ekovest Berhad ("Ekovest" or the "Company") and its subsidiaries ("Ekovest Group" or the "Group") as at 30 June 2013. The Proforma Consolidated Statements of Financial Position together with the notes thereon, as set out in Appendix A (which we have stamped for the purpose of identification), have been compiled by the Board of Directors of the Company (the "Board") to illustrate the impact of the following corporate exercises on Ekovest Group's financial position as at 30 June 2013, as if the exercises had taken place at 30 June 2013:

   (i) share split involving the subdivision of every one (1) existing ordinary share of RM1.00 each in Ekovest held by shareholders of the Company at 5.00 p.m. on 30 May 2014 into two (2) ordinary shares of RM0.50 each in Ekovest ("Ekovest Shares") ("Share Split");

   (ii) renounceable rights issue of 244,413,960 new Ekovest Shares ("Rights Shares") together with 122,206,980 free detachable warrants ("Warrants") at an issue price of RM1.00 on the basis of two (2) Rights Shares together with one (1) free Warrant for every five (5) existing Ekovest Shares held at 5.00 p.m. on 30 May 2014 ("Rights Issue With Warrants"); and

   (iii) acquisition by (a) Wira Kristal Sdn Bhd ("Wira Kristal"), a wholly-owned subsidiary of Ekovest of 1,500,000 ordinary shares of RM1.00 each in Nuzen Corporation Sdn Bhd ("Nuzen") and 13,500,000 redeemable preference shares of RM1.00 each in Nuzen representing the remaining 30% equity interest in Nuzen not held by Wira Kristal, (b) Ekovest Construction Sdn Bhd, a wholly-owned subsidiary of Ekovest, of 585 Series A redeemable preference shares of RM1.00 each in Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd ("Kesturi") and (c) Ekovest of RM54,000,000 nominal value redeemable secured junior bonds in Kesturi from Malaysian Resources Corporation Berhad for a total cash purchase consideration of RM228.0 million ("Acquisition");

   (collectively, the above are referred to as the "Proposals").

MAZARS

2. The applicable criteria on the basis of which the Board have compiled the Proforma Consolidated Statements of Financial Position are described in Note 3 of Appendix A, and are specified in the Prospectus Guidelines issued by the Securities Commission of Malaysia ("Prospectus Guidelines").

3. The Proforma Consolidated Statements of Financial Position has been compiled by the Board, for illustrative purposes only, to show the effects of the Proposals on the Group's financial position as at 30 June 2013 as if the Proposals had taken place at 30 June 2013. As part of this process, information about the Group's financial position has been extracted by the Board from the Group's audited consolidated statements of financial position as at 30 June 2013, on which an audit report has been published.

4. The Proforma Consolidated Statements of Financial Position have been prepared based on:

   - the audited consolidated statements of financial position of the Ekovest Group as at 30 June 2013* and

   - the audited consolidated statements of financial position of the Nuzen Group (comprising Nuzen and its subsidiary, namely, Kesturi) as at 31 December 2012*.

   * *being the latest available audited consolidated statements of financial position of the Ekovest Group and the Nuzen Group, respectively.*

Directors' Responsibilities

5. It is the sole responsibility of the Board to compile the Proforma Consolidated Statements of Financial Position in accordance with the basis set out in Note 3 of Appendix A, the requirements of the Prospectus Guidelines, Financial Reporting Standards ("**FRS**") and in a manner consistent with both the format of the financial statements and accounting policies of the Company.

Reporting Accountants' Responsibilities

6. Our responsibility is to express an opinion, as requested by the Prospectus Guidelines, as to whether the Proforma Consolidated Statements of Financial Position have been compiled, in all material respects by the Board on the basis described in Note 3 of Appendix A. In providing this opinion, we are not updating or refreshing any reports or opinions previously issued on the financial information used in compiling the Proforma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Proforma Consolidated Statements of Financial Position. In providing this opinion, we do not accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed at the dates of their issue.

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7. We conducted our work in accordance with *International Standard on Assurance Engagements ("ISAE") 3420 "Assurance Engagements to Report on the Compilation of Proforma Financial Information Included in a Prospectus"*. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Board have compiled, in all material respects, the Proforma Consolidated Statements of Financial Position on the basis set out in Note 3 of Appendix A. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, including adjustments to the Company's accounting policies, or of the assumptions stated in the notes to the Proforma Consolidated Statements of Financial Position, consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the proforma adjustments and discussing the Proforma Consolidated Statements of Financial Position with the Company's management.

8. The purpose of the Proforma Consolidated Statements of Financial Position included in the abridged prospectus to shareholders of Ekovest ("Abridged Prospectus") is solely to illustrate the impact of significant events or transactions on unadjusted financial information of the entity as if the events had occurred or the transaction had taken place at an earlier date selected for the purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions at 30 June 2013 would have been as presented.

9. A reasonable assurance engagement to report on whether the Proforma Consolidated Statements of Financial Position has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board in the compilation of the Proforma Consolidated Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence as to whether:

   a. The related proforma adjustments give appropriate effect to those criteria; and

   b. The Proforma Consolidated Statements of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

10. The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the Proforma Consolidated Statements of Financial Position has been compiled, and other relevant engagement circumstances. The engagement also involved evaluating the overall presentation of the Proforma Consolidated Statements of Financial Position.

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

MAZARS

Opinion

12. In our opinion,

(a) the Proforma Consolidated Statements of Financial Position have been properly compiled, in all material respects, on the basis set out in Note 3 of Appendix A using financial statements prepared in accordance with FRS and in a manner consistent with both the format of the financial statements and accounting policies of the Company; and

(b) each material adjustment made to the information used in the Proforma Consolidated Statements of Financial Position is appropriate for the purposes of preparing the Proforma Consolidated Statements of Financial Position.

Other Matters

The Proforma Consolidated Statements of Financial Position have been compiled for the sole purpose of inclusion in the Abridged Prospectus in connection with the Proposals and should not be relied upon for any other purposes. We accept no duty of responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this report in connection with any transaction other than the Proposals.

Yours faithfully

MAZARS
AF 1954
Chartered Accountants

YAP CHING SHIN
2022/03/16 (J)
Chartered Accountant

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EKOVEST BERHAD

Proforma Consolidated Statements of Financial Position As At 30 June 2013 and the Notes Thereon

1. Introduction

The proforma consolidated statements of financial position of Ekovest Berhad ("**Ekovest**" or the "**Company**") and its subsidiaries ("**Ekovest Group**" or the "**Group**") as at 30 June 2013 together with the notes thereon (collectively known as the "**Proforma Consolidated Statements of Financial Position**"), for which the Directors of the Company are solely responsible, have been prepared for the purpose of inclusion in the Abridged Prospectus to shareholders of Ekovest ("**Abridged Prospectus**") in connection with the Proposals (as defined herein) as set out in Note 1.1 below. The Proforma Consolidated Statements of Financial Position have been prepared for illustrative purposes only to show the effects of the Proposals (as defined herein) on the audited consolidated statements of financial position of the Group as at 30 June 2013, had the Proposals (as defined herein) been effected 30 June 2013.

The Proforma Consolidated Statements of Financial Position should be read in conjunction with the notes accompanying thereto.

1.1 Proposals

Proposal I: Share Split

Subdivision of every one (1) existing ordinary share of RM1.00 each in Ekovest held by shareholders of the Company at 5.00 p.m. on 30 May 2014 into two (2) ordinary shares of RM0.50 each in Ekovest ("**Ekovest Shares**") ("**Share Split**").

Proposal II: Rights Issue With Warrants

Renounceable rights issue of 244,413,960 new Ekovest Shares ("**Rights Shares**") together with 122,206,980 free detachable warrants ("**Warrants**") at an issue price of RM1.00 on the basis of two (2) Rights Shares together with one (1) free Warrant for every five (5) existing Ekovest Shares held at 5.00 p.m. on 30 May 2014 ("**Rights Issue With Warrants**").

Based on the issue price of RM1.00 per Rights Share, the gross proceeds and the expected utilisation of the proceeds to be raised from the Rights Issue With Warrants are as follows:-

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Proposed utilisation of proceeds	Notes	RM'000	Expected timeframe for utilisation
Acquisition (as defined herein)	(a)	205,200	Within 12 months
Working capital	(b)	36,214	Within 6 months
Estimated expenses	(c)	3,000	Within 6 months
Total		**244,414**	

Notes:-

(a) *RM205.2 million of the proceeds from the Rights Issue With Warrants is intended to be utilised for the settlement of the balance purchase consideration of the Acquisition ("**Balance Purchase Consideration**"). However, in the event that the Acquisition is not completed for any reason, the allocation earmarked for the settlement for the Balance Purchase Consideration will be utilised for Group's EkoCheras development project*.*

** Ekovest Group's on going property development project in Cheras Kuala Lumpur.*

(b) *The balance of the proceeds is proposed to be used for the Group's working capital purposes, which include the payment to suppliers and contractors for on-going development projects, as well as for day-to-day operations.*

(c) *The estimated expenses including professional fees and fees payable to the relevant authorities, printing cost of circular and abridged prospectus, advertising and miscellaneous expenses estimated to be RM3.0 million. Any shortfall or excess in funds allocated for estimated expenses will be funded from or used for the Group's working capital requirements.*

Any proceeds arising from the future exercise of the Warrants will be utilised for the working capital requirements of the Group.

The exercise price of the Warrants is RM1.35 per Ekovest Share and the fair value of the Warrants is RM0.28 per Warrant.

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Proposal III: Acquisition

Acquisition by:

(a) Wira Kristal Sdn Bhd ("**Wira Kristal**"), a wholly-owned subsidiary of Ekovest of 1,500,000 ordinary shares of RM1.00 each in Nuzen Corporation Sdn Bhd ("**Nuzeu**") and 13,500,000 redeemable preference shares of RM1.00 each in Nuzen representing the remaining 30% equity interest in Nuzen not held by Wira Kristal;

(b) Ekovest Construction Sdn Bhd, a wholly-owned subsidiary of Ekovest, of 585 Series A redeemable preference shares of RM1.00 each in Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd ("**Kesturi**"); and

(c) Ekovest of RM54,000,000 nominal value redeemable secured junior bonds in Kesturi

from Malaysian Resources Corporation Berhad for a total cash purchase consideration of RM228.0 million ("**Acquisition**").

(Collectively referred to as the "**Proposals**")

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EKOVEST BERHAD

2. Proforma statements of consolidated financial position as at 30 June 2013

The proforma consolidated statements of financial position as at 30 June 2013 have been prepared for illustrative purposes only to show the effects on the audited consolidated statements of financial position as at 30 June 2013 based on the assumption that the Proposals set out in Note 1.1 had been effected on 30 June 2013, and should be read in conjunction with the explanatory notes.

	Audited as at 30.6.2013 (RM'000)	After Adjusted for Subsequent Events (RM'000)	Proforma (I) After Share Split (RM'000)	Proforma (II) After Proforma (I) and Rights Issue With Warrants (RM'000)	Proforma (III) After Proforma (II) and Acquisition (RM'000)	Proforma (IV) After (III) and assuming full exercise of the Warrants (RM'000)
ASSETS						
Non-current assets						
Property, plant and equipment	110,956	110,956	110,956	110,956	111,105	111,105
Concession assets	1,483,605	1,483,605	1,483,605	1,483,605	1,483,362	1,483,362
Investment properties	57,262	57,262	57,262	57,262	57,262	57,262
Land held for development	85,039	85,039	85,039	85,039	85,039	85,039
Deferred tax assets	6,227	6,227	6,227	6,227	6,227	6,227
	1,743,089	1,743,089	1,743,089	1,743,089	1,742,995	1,742,995

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EKOVEST BERHAD

2. Proforma statements of consolidated financial position as at 30 June 2013 (Continued)

	Audited as at 30.6.2013 (RM'000)	After Adjusted for Subsequent Events (RM'000)	Proforma (I) After Share Split (RM'000)	Proforma (II) After Proforma (I) and Rights Issue With Warrants (RM'000)	Proforma (III) After Proforma (II) and Acquisition (RM'000)	Proforma (IV) After (III) and assuming full exercise of the Warrants (RM'000)
Current assets						
Gross amount due from customers	26,285	26,285	26,285	26,285	26,285	26,285
Trade and other receivables	114,475	114,475	114,475	114,475	113,958	113,958
Current tax assets	1,141	1,141	1,141	1,141	898	898
Short term deposits	125,404	1,284,454	1,284,454	1,284,454	1,278,344	1,278,344
Cash and bank balances	15,014	15,014	15,014	256,428	26,982	191,962
	282,319	1,441,369	1,441,369	1,682,783	1,446,467	1,611,447
TOTAL ASSETS	2,025,408	3,184,458	3,184,458	3,425,872	3,189,462	3,354,442

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EKOVEST BERHAD

2. Proforma statements of consolidated financial position as at 30 June 2013 (Continued)

	Audited as at 30.6.2013 (RM'000)	After Adjusted for Subsequent Events (RM'000)	Proforma (I) After Share Split (RM'000)	Proforma (II) After Proforma (I) and Rights Issue With Warrants (RM'000)	Proforma (III) After Proforma (II) and Acquisition (RM'000)	Proforma (IV) After (III) and assuming full exercise of the Warrants (RM'000)
EQUITY AND LIABILITIES						
Share capital	305,517	305,517	305,517	427,724	427,724	488,828
Share premium	245,599	245,599	245,599	364,806	364,806	502,900
Capital reserve	242	242	242	242	242	242
Warrant reserve	-	-	-	34,218	34,218	-
Retained earnings	228,066	228,066	228,066	193,848	240,705	240,705
Equity attributable to owners of the company	779,424	779,424	779,424	1,020,838	1,067,695	1,232,675
Non-controlling interest	142,053	142,053	142,053	142,053	1,298	1,298
Total equity	921,477	921,477	921,477	1,162,891	1,068,993	1,233,973

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EKOVEST BERHAD

2. Proforma statements of consolidated financial position as at 30 June 2013 (Continued)

	Audited as at 30.6.2013 (RM'000)	After Adjusted for Subsequent Events (RM'000)	Proforma (I) After Share Split (RM'000)	Proforma (II) After Proforma (I) and Rights Issue With Warrants (RM'000)	Proforma (III) After Proforma (II) and Acquisition (RM'000)	Proforma (IV) After (III) and assuming full exercise of the Warrants (RM'000)
Non-current liabilities						
Hire purchase liabilities	1,970	1,970	1,970	1,970	2,060	2,060
Islamic medium term notes	531,159	1,651,209	1,651,209	1,651,209	1,658,776	1,658,776
Redeemable secured junior bonds	13,684	52,684	52,684	52,684	-	-
Deferred income	-	-	-	-	364	364
Provision for heavy repairs	3,587	3,587	3,587	3,587	2,979	2,979
Bank term loans	56,599	56,599	56,599	56,599	56,599	56,599
Deferred tax liabilities	192,496	192,496	192,496	192,496	190,064	190,064
	799,495	1,958,545	1,958,545	1,958,545	1,910,842	1,910,842

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EKOVEST BERHAD

2. **Proforma statements of consolidated financial position as at 30 June 2013 (Continued)**

	Audited as at 30.6.2013 (RM'000)	After Adjusted for Subsequent Events (RM'000)	Proforma (I) After Share Split (RM'000)	Proforma (II) After Proforma (I) and Rights Issue With Warrants (RM'000)	Proforma (III) After Proforma (II) and Acquisition (RM'000)	Proforma (IV) After (III) and assuming full exercise of the Warrants (RM'000)
Current liabilities						
Gross amount due to customers	13,018	13,018	13,018	13,018	13,018	13,018
Trade and other payables	120,443	120,443	120,443	120,443	115,437	115,437
Redeemable preference share	90,115	90,115	90,115	90,115	284	284
Hire purchase liabilities	1,553	1,553	1,553	1,553	1,581	1,581
Bank borrowings	78,962	78,962	78,962	78,962	78,962	78,962
Current tax liabilities	345	345	345	345	345	345
	304,436	304,436	304,436	304,436	209,627	209,627

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EKOVEST BERHAD

2. Proforma statements of consolidated financial position as at 30 June 2013 (Continued)

	Audited as at 30.6.2013 (RM'000)	After Adjusted for Subsequent Events (RM'000)	Proforma (I) After Share Split (RM'000)	Proforma (II) After Proforma (I) and Rights Issue With Warrants (RM'000)	Proforma (III) After Proforma (II) and Acquisition (RM'000)	Proforma (IV) After (III) and assuming full exercise of the Warrants (RM'000)
Total liabilities	1,103,931	2,262,981	2,262,981	2,262,981	2,120,469	2,120,469
TOTAL EQUITY AND LIABILITIES	2,025,408	3,184,458	3,184,458	3,425,872	3,189,462	3,354,442
Number of shares	305,517	305,517	611,035	855,449	855,449	977,656
Net assets per share (RM)	2.55	2.55	1.28	1.19	1.25	1.26
Gearing ratio	0.99	2.48	2.48	1.89	1.68	1.46

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EKOVEST BERHAD

3. Basis of preparation

(i) The proforma consolidated statements of financial position as at 30 June 2013 have been prepared based on:

- the audited consolidated statement of financial position of the Ekovest Group as at 30 June 2013* and
- the audited consolidated statement of financial position of the Nuzen and its subsidiary ("**Nuzen Group**") as at 31 December 2012*.

* *being the latest available consolidated audited statements of financial position of the Ekovest Group and Nuzen Group, respectively.*

(ii) The proforma consolidated statements of financial position have also been prepared in accordance with Financial Reporting Standards ("FRS"), and in a manner consistent with both the format of the audited financial statements and the accounting policies adopted and used by the Ekovest Group for the financial year ended 30 June 2013 except for the adoption of significant accounting policy for share-based payments as set out in Note 5 below.

(iii) Basis of consolidation

The Acquisition is accounted using the purchase method of accounting.

Under the purchase method of accounting, the cost of an acquisition is measured at the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued at the date of exchange, plus any costs directly attributable to the acquisition.

Identifiable assets acquired and liabilities and contingent liabilities assumed are measured at their fair values at the acquisition date.

The excess of the acquisition cost over the fair values of the identifiable assets acquired, liabilities and contingent liabilities assumed is retained in the balance sheet as goodwill (which is then subject to periodic impairment testing post acquisition). Discount on acquisition is immediately credited to the consolidated income statement. Transaction costs are expensed off in profit or loss.

(iv) The Proforma Consolidated Statements of Financial Position had been prepared for illustrative purposes only. Due to its nature, it is not a forecast of the results of operations, financial position nor the cash flows of Ekovest Group in the future, and the Group's past operating results are not necessarily indicative of the Group's future operating performance.

(v) The auditors' report on the audited consolidated financial statements of the Ekovest Group as at 30 June 2013 and Nuzen Group as at 31 December 2012 used in the preparation of the Proforma Consolidated Statements of Financial Position were not subject to any modification.

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4. Effects of the Proposals on the Proforma Consolidated Statements of Financial Position

4.1 Share Split

The Share Split will reduce the nominal value per share from RM1.00 per share to RM0.50 per share.

4.2 Rights Issue With Warrants

The issuance of 244,413,960 Rights Shares after deducting estimated expenses to be incurred for the Proposals of approximately RM3.0 million will generate RM241 million cash inflow to the Company with the corresponding entry to the share capital and share premium.

The estimated expenses of RM3.0 million in relation to the Proposals are set off against the share premium account.

The effects of the Rights Issue With Warrants on the Proforma Consolidated Statements of Financial Position are described in Notes 4.4 to 4.8 below.

4.3 Acquisition

The audited consolidated financial statements of Ekovest Group for financial year ended 30 June 2013 (excluding the financial results of Nuzen Group which were consolidated in the Ekovest's Group consolidated financial statements from 9 May 2013[#] onwards) are consolidated with the audited consolidated financial statements of Nuzen Group for financial year ended 31 December 2012.

Upon consolidation, the total share capital held in Nuzen is eliminated in Ekovest Group's consolidated financial statements.

The effects of the Acquisition on the Proforma Consolidated Statements of Financial Position are described in Notes 4.4 to 4.8 below.

[#] Being the date of acquisition of Wira Kristal by Ekovest.

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4.4 Share Capital

	Nominal value per share RM	No. of ordinary shares '000	Issued share capital RM'000
Audited consolidated statement of financial position of the Ekovest Group as at 30 June 2013	1.00	305,517	305,517
Effects of Proposal 4.1		305,517	-
Proforma after Proposal 4.1	0.50	611,035	305,517
Effects of Proposal 4.2	0.50	244,414	122,207
Proforma after Proposal 4.2	0.50	855,449	427,724
Effects of Proposal 4.3		-	-
Proforma after Proposal 4.3	0.50	855,449	427,724
Adjustment:			
Full exercise of the Warrants	0.50	122,207	61,103
Proforma after Proposal 4.3 and full exercise of the Warrants	0.50	977,656	488,828

4.5 Share Premium

	RM'000
Audited consolidated statement of financial position of the Ekovest Group as at 30 June 2013	245,599
Effects of Proposal 4.2	122,207
Estimated expenses to be incurred	(3,000)
Proforma after Proposal 4.2	364,806
Adjustment:	
Full exercise of the Warrants	138,094
Proforma after the full exercise of the Warrants	502,900

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4.6 Warrant Reserve

	RM'000
Audited consolidated statement of financial position of the Ekovest Group as at 30 June 2013	-
Effects of Proposal 4.2	34,218
Proforma after Proposal 4.2	34,218
Adjustment:	
Full exercise of the Warrants	(34,218)
Proforma after the full exercise of the Warrants	-

4.7 Retained Earnings

The movements in the retained earnings as at 30 June 2013 are as follows:

	RM'000
Audited consolidated statement of financial position of the Ekovest Group as at 30 June 2013	228,066
Effects of Proposal 4.2	(34,218)
Proforma after Proposal 4.2	193,848
Effects of Proposal 4.3	46,857
Proforma after Proposal 4.3	240,705
Adjustment:	
Full exercise of the Warrants	-
Proforma after the full exercise of the Warrants	240,705

4.8 Cash and Bank Balances

	RM'000
Audited consolidated statement of financial position of the Ekovest Group as at 30 June 2013	15,014
Effects of Proposal 4.2	241,414
Proforma after Proposal 4.2	256,428
Effects of Proposal 4.3	(229,446)
Proforma after Proposal 4.3	26,982
Adjustment:	
Full exercise of the Warrants	164,980
Proforma after the full exercise of the Warrants	191,962

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4.9 Net Assets and G\earing

Based on the latest audited consolidated financial statements of Ekovest Group for the financial year ended 30 June 2013, the proforma effects of the Proposals on the consolidated net asset per share and gearing of the Group are as follows:-

	Audited as at 30 June 2013	(I) After Adjusted for Subsequent Events[1]	(II) After (I) and the Share Split	(III) After (II) and the Rights Issue With Warrants	(IV) After (III) and the Acquisition	(V) After (IV) and assuming full exercise of the Warrant
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Share capital	305,517	305,517	305,517	427,724	427,724	488,828
Share premium	245,599	245,599	245,599	364,806 [2]	364,806	502,900
Warrant reserve	-	-	-	34,218 [3]	34,218	-
Capital Reserve	242	242	242	242	242	242
Retained profits	228,066	228,066	228,066	193,848 [4]	240,705	240,705
Shareholders' equity / Net assets	**779,424**	**779,424**	**779,424**	**1,020,838**	**1,067,695**	**1,232,675**
Number of shares ('000)	305,517	305,517	611,035	855,449	855,449	977,656
Net asset per share (RM)	2.55	2.55	1.28	1.19	1.25	1.26
Total borrowings	774,042	1,933,092 [1]	1,933,092	1,933,092	1,798,262 [5]	1,798,262
Gearing ratio (times)	0.99	2.48	2.48	1.89	1.68	1.46

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Notes:-

(1) After taking into consideration the issuance of RM2,300 million (in nominal value) of Islamic Medium Term Notes under the Shariah principle of Musharakah and RM180 million (in nominal value) of redeemable secured junior bonds issued by Kesturi on 2 December 2013, after netting off the redemption of Kesturi's previous senior sukuk (of RM820 million in nominal value) and junior bonds (of RM50 million in nominal value, of which 70% would be eliminated in Ekovest's consolidated financial statements).

(2) After deducting estimated expenses to be incurred for the Rights Issue With Warrants of approximately RM3.0 million.

(3) Based on the issuance of 122,206,980 Warrants at an allocated fair value of RM0.28 per Warrant.

(4) After accounting for the warrants reserve based on the issuance of 122,206,980 Warrants at an allocated fair value of RM0.28 per Warrant.

(5) The RM180 million (in nominal value) of redeemable secured junior bonds and redeemable preference shares Series A of RM1.00 each in Kesturi issued by Kesturi are fully eliminated.

5. Significant Accounting Policy Adopted by the Group

5.1 Share-Based Payments

The Group operates an equity-settled, share-based compensation plan. The total amount to be recognised as an expense over the vesting period (which is the period over which all of the specified vesting conditions are to be satisfied) is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions, with a corresponding increase to share options reserve equity. At the end of each financial year, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions and recognises the impact of the revision of original estimates, if any, in the income statement with a corresponding adjustment to share option reserve equity.

When the options are exercised, the Company issues new shares. The proceeds received from the exercise of the options, net of any direct attributable transaction costs, are credited to share capital (nominal value) and share premium. The share option reserve is realised into share premium when options are exercised. When options are not exercised and lapsed, the share option reserve is transferred to retained earnings.

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EKOVEST BERHAD
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
30 JUNE 2013

EKOVEST BERHAD
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS - 30 JUNE 2013

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EKOVEST BERHAD
(Incorporated in Malaysia)

CORPORATE INFORMATION

DOMICILE	:	Malaysia
LEGAL FORM AND PLACE OF INCORPORATION	:	A public listed company incorporated in Malaysia under the Companies Act 1965 and limited by shares
REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSISINESS	:	Ground Floor, Wisma Ekovest No. 118, Jalan Gombak 53000 Kuala Lumpur

EKOVEST BERHAD
(Incorporated in Malaysia)

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2013

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2013.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and civil engineering and building works.

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

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

RESULTS

	Group RM'000	Company RM'000
Net profit for the year	50,035	9,058
Attributable to:		
Shareholders of the Company	50,071	9,058
Non-controlling interests	(36)	-
	50,035	9,058

DIVIDENDS

Since the end of the previous financial year the Company paid a first and final dividend of 5% less 25% tax amounting to RM6,704,764 in respect of the financial year ended 30 June 2012 as disclosed in the Directors report of that year.

The Directors now recommend the payment of a first and final single tier dividend of 1% amounting to RM3,055,175 for the financial year ended 30 June 2013.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company has increased:

a) its authorised share capital from 200 million to 1 billion ordinary shares of RM 1 each;

b) its issued and paid-up ordinary share capital from RM178,793,715 to RM305,517,450 by way of issuance of 126,723,735 new ordinary shares of RM1 each at an issue price of RM2.57 per ordinary share of the Company.

The Company did not issue any debentures during the financial year.

DIRECTORS

The Directors in office since the date of the last report are:

Tan Sri Dato' Lim Kang Hoo	
Mr Khoo Nang Seng @ Khoo Nam Seng	
Ms Kang Hui Ling	
Mr Lim Keng Cheng	
Madam Lim Hoe	
Ms Lim Ts-Fei	(Appointed on 16.05.2013)
Dr Wong Kai Fatt	(Appointed on 16.05.2013)
Mr Chow Yoon Sam	(Appointed on 16.05.2013)
Mr Lee Wai Kuen	(Appointed on 07.10.2013)
Mr Leung Kok Keong	(Appointed on 16.05.2013 & Resigned on 07.10.2013)
En Mohd Salleh Bin Othman	(Resigned on 16.05.2013)
Mr Cho Joy Leong @ Cho Yok Lon	(Resigned on 16.05.2013)

In accordance with Article 82 of the Company's Articles of Association, Ms. Kang Hui Ling retire by rotation, Ms. Lim Ts-Fei, Dr. Wong Kai Fatt, Mr. Chow Yoon Sam and Mr. Lee Wai Kuen retire by rotation in accordance with Article 89 of Company's Article of Association and Mr. Khoo Nang Seng @ Khoo Nam Seng retires in accordance with Section 129(6) of the Companies Act, 1965 at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

DIRECTORS' INTERESTS IN SHARES

According to the register of Directors' shareholdings required to be kept under Section 134 of the Companies Act 1965, none of the Directors held any shares or had any interests in shares in the Company and its related corporations during the financial year except as follows:

	----- Number of ordinary shares of RM1 each -----			
	At 1-7-2012	Bought	Sold	At 30-6-2013
Direct interest				
- Tan Sri Dato' Lim Kang Hoo	4,757,000	50,689,494	-	55,446,494
- Mr Khoo Nang Seng @ Khoo Nam Seng	17,706,000	-	-	17,706,000
- Madam Lim Hoe	1,356,000	-	-	1,356,000

	----- Number of ordinary shares of RM1 each -----			
	At 1-7-2012	Bought	Sold	At 30-6-2013
Indirect interest				
- Tan Sri Dato' Lim Kang Hoo	37,250,000	-	-	37,250,000
- Mr Lim Keng Cheng	13,597,600	-	-	13,597,600

By virtue of the above directors' interest in shares of the Company, they are deemed to be interested in shares in all the subsidiaries to the extent the Company has an interest.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for any benefit which may be deemed to have arisen from the transactions disclosed in Note 31(a) to the financial statements which were carried out in the ordinary course of business.

OTHER STATUTORY INFORMATION

(a) Before the statement of comprehensive income and statement of financial position of the Group and of the Company were made out, the Directors took reasonable steps:

(i) to ascertain the action taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there are no bad debts to be written off and that allowance for doubtful debts was not required; and

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

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

(i) which would render it necessary to write off any bad debts or to make an allowance for doubtful debts in the financial statements of the Group and of the Company, or

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

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

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

(i) any charge on the assets of the Company or its subsidiaries which has arisen since the end of the financial year which secures the liabilities of any other person except as disclosed in the notes to the financial statements, or

(ii) any contingent liability of the Company or its subsidiaries which has arisen since the end of the financial year.

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

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

(f) In the opinion of the Directors:

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

(ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS

The auditors, Mazars, Chartered Accountants, have expressed their willingness to continue in office.

Signed on behalf of the Directors in accordance
with a Directors' resolution dated

14 OCT 2013

TAN SRI DATO' LIM KANG HOO
Director

LIM KENG CHENG
Director

MAZARS

AF: 1954

Company No.: 132493-D

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
EKOVEST BERHAD
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Ekovest Berhad, which comprise the statements of financial position as at 30 June 2013 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 10 to 83.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Wisma Selangor Dredging - 7th Flr, South Blk, 142-A - Jalan Ampang - 50450 Kuala Lumpur - Malaysia
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Chartered Accountants

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MAZARS

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 30 June 2013 and of their financial performance and cash flows for the year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

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

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

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

(c) Our audit reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Reporting Responsibilities

The supplementary information set out on page 84 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

MAZARS

Company No.: 132493-D Page 9

Other Matters

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

MAZARS	YAP CHING SHIN
No. AF: 1954	No. 2022/03/14 (J)
Chartered Accountants	Chartered Accountant

Kuala Lumpur

Date: 14 October 2013

EKOVEST BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION - 30 JUNE 2013

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	2	110,956	104,219	10,385	10,302
Investment properties	3	57,262	49,013	20,150	16,040
Land held for development	4	85,039	50,327	-	-
Concession assets	5	1,483,605	-	-	-
Investments in subsidiaries	6	-	-	490,203	18,073
Investments in associates		-	611	-	600
Other investments	7	-	218,787	35,000	35,000
Amount owing by subsidiaries	8	-	-	6,557	5,899
Deferred tax assets	9	6,227	10,528	-	-
		1,743,089	433,485	562,295	85,914
CURRENT ASSETS					
Gross amount due from customers	10	26,285	14,923	1,311	-
Trade and other receivables	11	114,475	130,324	12,550	14,575
Amount owing by subsidiaries	8	-	-	118,134	203,640
Current tax assets		1,141	2,340	823	2,292
Short term deposits	12	125,404	51,226	22,525	7,173
Cash and bank balances		15,014	1,850	152	188
		282,319	200,663	155,495	227,868
TOTAL ASSETS		2,025,408	634,148	717,790	313,782

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
EQUITY					
Share capital	13	305,517	178,794	305,517	178,794
Reserves		473,907	231,920	297,916	96,942
Equity attributable to shareholders of the Company		779,424	410,714	603,433	275,736
Non-controlling interests		142,053	-	-	-
TOTAL EQUITY		921,477	410,714	603,433	275,736
NON-CURRENT LIABILITIES					
Hire purchase liabilities	14	1,970	2,472	1,336	1,458
Bank term loans	15	56,599	5,480	50,000	-
Islamic medium term notes	16	531,159	-	-	-
Redeemable secured junior bonds	17	13,684	-	-	-
Provision for heavy repairs	18	3,587	-	-	-
Deferred tax liabilities	19	192,496	339	131	131
		799,495	8,291	51,467	1,589
CURRENT LIABILITIES					
Gross amount due to customers	10	13,018	50,170	-	4,043
Trade and other payables	20	120,443	92,331	12,850	10,287
Amount owing to subsidiaries		-	-	33	33
Amount owing to associates		-	726	-	726
Redeemable preference shares	21	90,115	-	-	-
Hire purchase liabilities	14	1,553	1,585	841	1,000
Bank borrowings	22	78,962	61,737	49,166	20,368
Current tax liabilities		345	8,594	-	-
		304,436	215,143	62,890	36,457
TOTAL LIABILITIES		1,103,931	223,434	114,357	38,046
TOTAL EQUITY AND LIABILITIES		2,025,408	634,148	717,790	313,782

The accompanying notes form an integral part of the financial statements

EKOVEST BERHAD
(Incorporated in Malaysia)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Revenue	23	140,966	208,948	20,698	5,556
Cost of sales	24	(78,317)	(136,998)	(13,429)	(5,475)
Gross profit		62,649	71,950	7,269	81
Other income		46,050	32,174	19,698	13,536
Administrative and general expenses		(21,906)	(12,583)	(9,238)	(5,693)
Other expenses		(2,727)	(2,521)	(2,722)	(2,516)
Finance costs	25	(17,318)	(4,834)	(2,622)	(522)
Share of results of associates		(3)	(7)	-	-
Profit before tax	26	66,745	84,179	12,385	4,886
Tax expense	27	(16,710)	(11,535)	(3,327)	(1,137)
Profit for the year		50,035	72,644	9,058	3,749
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the year		50,035	72,644	9,058	3,749

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Profit for the year and total comprehensive income for the year attributable to :					
Shareholders of the Company		50,071	72,644	9,058	3,749
Non-controlling interests		(36)	-	-	-
		50,035	72,644	9,058	3,749
Earnings per share					
- Basic	28	25.05 sen	40.63 sen		
Net dividend per share	29	3.75 sen	3.75 sen	3.75 sen	3.75 sen

The accompanying notes form an integral part of the financial statements

EKOVEST BERHAD
(Incorporated in Malaysia)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Attributable to equity holders of the Company						
		Non-distributable					
	Share capital RM'000	Share premium RM'000	Asset revaluation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
At 1 July 2011	178,794	46,978	346	118,657	344,775	-	344,775
Total comprehensive income for the year	-	-	(52)	72,696	72,644	-	72,644
Dividend paid (Note 29)	-	-	-	(6,705)	(6,705)	-	(6,705)
At 30 June 2012	178,794	46,978	294	184,648	410,714	-	410,714

	Attributable to equity holders of the Company						
		Non-distributable					
	Share capital RM'000	Share premium RM'000	Asset revaluation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
At 1 July 2012	178,794	46,978	294	184,648	410,714	-	410,714
Issuance of shares	126,723	198,621	-	-	325,344	-	325,344
Acquisition of subsidiaries	-	-	-	-	-	142,089	142,089
Total comprehensive income for the year	-	-	(52)	50,123	50,071	(36)	50,035
Dividend paid (Note 29)	-	-	-	(6,705)	(6,705)	-	(6,705)
At 30 June 2013	305,517	245,599	242	228,066	779,424	142,053	921,477

The accompanying notes form an integral part of the financial statements

EKOVEST BERHAD
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	----Non-distributable-----				
	Share capital RM'000	Share premium RM'000	Asset revaluation reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 July 2011	178,794	46,978	346	52,574	278,692
Total comprehensive income for the year	-	-	(52)	3,801	3,749
Dividend paid (Note 29)	-	-	-	(6,705)	(6,705)
At 30 June 2012	178,794	46,978	294	49,670	275,736
At 1 July 2012	178,794	46,978	294	49,670	275,736
Issuance of shares	126,723	198,621	-	-	325,344
Total comprehensive income for the year	-	-	(52)	9,110	9,058
Dividend paid (Note 29)	-	-	-	(6,705)	(6,705)
At 30 June 2013	305,517	245,599	242	52,075	603,433

The accompanying notes form an integral part of the financial statements

EKOVEST BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	66,745	84,179	12,385	4,886
Adjustments for:				
Depreciation	2,022	1,856	1,066	1,046
Gain on disposal of property, plant and equipment	-	(284)	-	(244)
Gain on disposal of investment properties	(21)	(71)	-	-
Gain on disposal of land held for property development	(1,061)	-	-	-
Loss on disposal of property, plant and equipment	162	-	122	-
Fair value adjustment for investment properties	(6,438)	-	(4,110)	-
Gain on acquisitions	(9,316)	-	-	-
Provision for heavy repairs	203	-	-	-
Dividend income	-	-	(7,000)	(7,000)
Amortisation of concession assets	2,091	-	-	-
Interest income	(5,907)	(31,194)	(5,801)	(5,860)
Finance costs	17,107	4,733	2,487	522
Hire purchase term charges	211	229	135	128
Share of profit of associates	3	7	-	-
Operating profit/(loss) before working capital changes	65,801	59,455	(716)	(6,522)
Changes in receivables	4,139	(32,299)	3,116	(461)
Changes in payables	(77,288)	(47,011)	(1,887)	(882)
Cash generated from/(used in) operations	(7,348)	(19,855)	513	(7,865)
Interest received	5,907	6,249	5,801	5,246
Interest paid	(5,497)	(3,629)	(2,467)	(371)
Tax paid	(17,004)	(15,870)	(1,858)	(765)
Net cash (used in)/from operating activities	(23,942)	(33,105)	1,989	(3,755)

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment (Note 33)	(6,352)	(20,084)	(636)	(770)
Development cost incurred on land held for property development	(35,217)	(1,000)	-	-
Subscription of additional shares in subsidiaries	-	-	(7,550)	-
Acquisiton of subsidiaries, net of cash and cash equivalents acquired	93,867	-	(4,500)	
Purchase of investment properties	(1,912)	(5,991)	-	-
Proceeds from disposal of property, plant and equipment	551	412	490	372
Proceeds from disposal of investment properties	122	467	-	-
Proceeds from disposal of land held for property development	1,566	-	-	-
(Placement)/Withdrawal of short term deposits	(74,178)	48,210	(15,352)	411
(Repayment from)/Advances to subsidiaries	-	-	(49,552)	5,822
Dividends received	-	-	5,250	5,250
Net cash (used in)/from investing activities	(21,553)	22,014	(71,850)	11,085
CASH FLOWS FROM FINANCING ACTIVITIES				
Drawndown/(Repayment) of bank borrowings	67,724	(10,560)	65,000	(9,000)
Repayment to subsidiaries	-	-	-	(314)
Payment of bank borrowing	(2,611)	-	-	-
(Repayment to)/Advances from associate	(726)	2	(726)	2
Payment of hire purchase liabilities	(2,043)	(1,731)	(1,407)	(1,108)
Payment of hire purchase term charges	(211)	(229)	(135)	(128)
Dividend paid	(6,705)	(6,705)	(6,705)	(6,705)
Net cash generated from/(used in) financing activities	55,428	(19,223)	56,027	(17,253)
NET CHANGES IN CASH AND CASH EQUIVALENTS	9,933	(30,314)	(13,834)	(9,923)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	(43,537)	(13,223)	(5,180)	4,743
CASH AND CASH EQUIVALENTS CARRIED FORWARD	(33,604)	(43,537)	(19,014)	(5,180)

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Represented by:				
CASH AND BANK BALANCES	15,014	1,850	152	188
BANK OVERDRAFTS	(48,618)	(45,387)	(19,166)	(5,368)
	(33,604)	(43,537)	(19,014)	(5,180)

The accompanying notes form an integral part of the financial statements

EKOVEST BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements comply with applicable Financial Reporting Standards ("FRSs") issued by the Malaysian Accounting Standards Board ("the MASB") and with the provision of the Companies Act 1965.

The measurement bases applied in the preparation of the financial statements include cost, recoverable value, realisable value, revalued amount and fair value. Estimates are used in measuring these values.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency. Unless otherwise indicated, the amounts in these financial statements have been rounded to the nearest thousand.

(b) The significant accounting policies adopted by the Group are consistent with those of the previous financial year except for the adoption of the following revised FRSs and Amendments to FRSs that are relevant to its operations, effective from financial periods beginning on or after:

1 January 2012	
FRS 124	Related Party Disclosures
Amendments to FRS 7	Disclosures - Transfers of Financial Assets
Amendments to FRS 101	Presentation of Items of Other Comprehensive Income
Amendments to FRS 112	Deferred Tax - Recovery of Underlying Assets

The adoption of the above revised FRSs and Amendments to FRSs did not have significant impact on the Group and the Company.

(c) Standards issued that are not yet effective

The Group and the Company have not applied the following new/revised FRSs and Amendments to FRSs that have been issued by the MASB and relevant to its operations but are not yet effective:

New/Revised FRSs, Amendments to FRSs		*Effective for financial periods beginning on or after*
FRS 9	Financial Instruments	1 January 2015
FRS 10	Consolidated Financial Statements	1 January 2013
FRS 11	Joint Arrangements	1 January 2013
FRS 12	Disclosures of Interests in Other Entities	1 January 2013
FRS 13	Fair value Measurement	1 January 2013
FRS 119	Employee Benefits	1 January 2013
FRS 127	Separate Financial Statements	1 January 2013
FRS 128	Investment in Associates and Joint Ventures	1 January 2013
Amendments to FRS 1	Government Loans	1 January 2013
Amendments to FRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 10, 11 and 12	Consolidated Financial Statements, Joint Arrangements and Disclosures of Interest in Other Entities	1 January 2013
Amendments to FRS 10, 12 and 127	Investment Entities	1 January 2014
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to FRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21	Levies	1 January 2014
Amendments to FRS 1, 101, 116, 132, 134 and Interpretation 12	Improvements to FRSs (2012)	1 January 2013

The above new/revised FRSs and Amendments to FRSs are not expected to have any significant financial impact on the Group and the Company upon their initial application except for FRS 9 discussed as follow:

FRS 9 – Financial Instruments

FRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the parts of FRS 139 that relate to the classification and measurement of financial instruments.

FRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

For financial liabilities, the standard retains most of the FRS 139 requirements. The main change is in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

The Group is yet to assess the full impact on adoption of FRS 9, and intends to adopt FRS 9 for the year ending 30 June 2016, subject to the adoption of the Malaysian Financial Reporting Standards framework as further explained below.

Malaysian Financial Reporting Standards

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

The MFRS is to be applied by all entities other than private entities for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venture (herein referred to as 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the MFRS. On 7 August 2013, the MASB announced that Transitioning Entities would be required to adopt the MFRS for annual periods beginning on or after 1 January 2015.

The Group falls within the definition of Transitioning Entities and has opted to defer adoption of the MFRS to 1 July 2015. Accordingly, the Group will be required to prepare its first MFRS financial statements for the year ending 30 June 2016. In presenting its first MFRS financial statements, the Group will quantify the financial effects of the differences between the current FRS and MFRS. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 30 June 2013 could be different if prepared under the MFRS.

Certain subsidiaries of the Company are required to prepare their first MFRS financial statements for the year ended 30 June 2013. There is no significant difference identified as a result of the adoption of MFRS by certain subsidiaries; and no significant impact to the Company's consolidated financial statements.

(d) Significant accounting judgements and estimates

The preparation of financial statements requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that affect reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the end of the reporting period, and reported amounts of income and expenses during the financial year.

Although these estimates are based on management's best knowledge of current events and actions, historical experience and various other factors, including expectations of future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from these estimates.

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

Critical judgement made in applying accounting policies

The following are judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on amounts recognised in the financial statements:

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed certain criteria based on FRS 140 Investment Property in making that judgement. In making its judgement, the Group considers whether a property generates cash flows largely independently of other assets held by the Group. Owner-occupied properties generate cash flows that are attributable not only to the properties, but also to other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rental or for capital appreciation and another portion that is held for use in the production or supply of goods and services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is accounted for as an investment property only if an insignificant portion is held for use in the production or supply of goods and services or for administrative purposes.

Revenue recognition of construction contracts

The Group recognises construction contracts based on the percentage of completion method. The stage of completion of the construction contracts is measured in accordance with the accounting policies set out in note 1(n).

Significant judgement is required in determining the percentage of completion, the extent of the development project and contract costs incurred, the estimated total revenue and total costs and the recoverability of the development project and contract. In making these judgements, management relies on past experience and the work of specialists.

Key sources of estimation uncertainty

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

Allowance for doubtful debts

The collectibility of receivables is assessed on an ongoing basis. An allowance for doubtful debt is made for any account considered to be doubtful for collection.

The allowance for doubtful debts is made based on a review of all outstanding accounts at the financial reporting date. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the creditworthiness and the past collection history of each customer. If the financial condition of customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

Depreciation and impairment of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at end of each reporting period. Changes in the expected useful lives of property, plant and equipment could impact future depreciation charges.

Property, plant and equipment are assessed at the end of each reporting period to determine whether there is any indication of impairment. If such an indication exists, an estimation of the recoverable amount is required. Estimating the recoverable amount requires management to make an estimate of the expected future cash flows from the property, plant and equipment or the related cash generating unit.

Measurement of impairment loss on investments in subsidiaries and associates

Investments in subsidiaries and associates are assessed at the end of each reporting period to determine whether there is any indication of impairment. If such an indication exists, an estimation of the investment's recoverable amount is required. Estimating the recoverable amount requires management to make an estimate of the expected future cash flows from the subsidiaries and associates and also choose a suitable discount rate in order to calculate the present value of those cash flows.

Amortisation and impairment of concession assets

The carrying amount of concession assets is amortised over the concession period by applying the formula in Note 1(i) below. The denominator of the formula includes projected total toll revenue for subsequent years to the end of the concession period and is based on the latest available base case traffic volume projections prepared by independent traffic consultants multiplied by the relevant toll rates. The assumptions to arrive at the traffic volume projections take into consideration the growth rate based on current market and economic conditions. Changes in the expected traffic volume and toll rates could impact future amortisation charges.

The Group assesses at the end of each reporting period whether there is any indicator the concession assets are impaired. If such an indication exists, an estimation of the recoverable amount is required. Estimating the recoverable amount requires management to make an estimate of the expected future cash flows generated from concession assets discounted at a suitable discount rate in order to calculate the present value of those cash flows.

Provision for heavy repairs

Provision for heavy repairs is recognised on the future heavy repairs expenditure expected to be incurred over the concession period. Judgement and estimation are involved in determining the timing and amounts of future expenditure taking into consideration factors such as usage of expressway, technology changes, inflation, etc.

Income taxes

Significant judgement is involved in determining the capital allowances and deductibility of expenses during the estimation of the provision for income tax. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(e) Subsidiaries

A subsidiary is an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible, are considered when assessing whether the Company has the power to govern the financial and operating policies of another entity.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. Impairment losses are charged to the profit or loss.

On disposal, the difference between the net disposal proceeds and the carrying amount of the subsidiary disposed off is taken to the profit or loss.

(f) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and of all its subsidiaries made up to the end of the financial year. The consolidated financial statements are prepared using uniform accounting policies for like transactions in similar circumstances.

All intra-group balances, transactions, income and expenses are eliminated in full on consolidation and the consolidated financial statements reflect external transactions only.

All subsidiaries are consolidated on the purchase method of accounting from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date such control ceases.

Under the purchase method of accounting, the cost of an acquisition is measured as the aggregate of the fair values of the assets acquired, liabilities assumed and equity instruments issued at the date of exchange. Any consideration transferred is to be measured at fair value as of the acquisition date. Non-controlling interest that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another FRS. All the acquisition-related costs are expensed off to income statement.

Goodwill on acquisition will be measured as the difference between the aggregate of fair value of consideration transferred, any non-controlling interests in the acquiree and the fair value at the acquisition date of any previously held equity interest in the acquiree (if acquired via "piecemeal acquisition"), and the net identifiable assets acquired. Any bargain purchase (ie. "negative goodwill") will be recognised directly in the income statement. Goodwill is carried at cost less accumulated impairment losses, if any.

Non-controlling interests represent the equity in subsidiaries that are not attributable, directly or indirectly, to owners of the Company. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit position.

Change in ownership interest which does not result in a loss of control is accounted for within equity. Where the changes in ownership interest results in loss of control, any remaining interest in the former subsidiary is remeasured at fair value and a gain or loss is recognised in the income statement.

(g) Associates

An associate is an entity in which the Group has significant influence and that is neither a subsidiary nor a jointly controlled entity. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has significant influence.

In the Company's separate financial statements, investment in associates are stated at cost less impairment losses. Impairment losses are charged to the profit of loss.

On disposal, the difference between the net disposal proceeds and the carrying amount of the associate disposed off is taken to the profit or loss.

Investment in associates are accounted for in the consolidated financial statements by the equity method of accounting. Under the equity method, investments in associates are initially recognised at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the associates.

The Group's share of net profits or losses and changes recognised directly in the equity of the associates are recognised in the profit or loss and other comprehensive income, respectively.

An investment in an associate is accounted for using the equity method from the date on which the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

Premium on acquisition is included in the carrying value of the investment and it is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment when necessary.

Discount on acquisition is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

Equity accounting is discontinued when the Group's share of losses in an associate diminishes by virtue of losses to zero unless the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

The results and reserves of associates are accounted for in the consolidated financial statements based on audited and/or unaudited management financial statements made up to the end of the financial year and prepared using accounting policies that conform to those used by the Group for like transactions in similar circumstances.

(h) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition

A financial instrument is recognised in the financial statements when, and only when, the Group becomes a party to the contractual provisions of the instrument.

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

Financial instrument categories and subsequent measurement

Financial assets

Financial assets are classified as held-to-maturity investments, available-for-sale financial assets or loans and receivables, as appropriate. Management determines the classification of the financial assets as set out below upon initial recognition.

(i) Loans and receivables

This category comprises debt instruments that are not quoted in an active market, trade and other receivables and cash and cash equivalents.

The subsequent measurement of financial assets in this category is at amortised cost using the effective interest method, less allowance for impairment losses. Any gains or losses arising from derecognition or impairment, and through the amortisation process of loans and receivables are recognised in the profit or loss.

(ii) Held-to-maturity investments

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

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

Financial liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial assets and liabilities

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset.

On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received together with any cumulative gain or loss that has been recognised in other comprehensive income is reclassified to profit or loss.

A financial liability or part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired.

On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the profit or loss.

(i) Concession assets

Concession assets are recognised as intangible assets to the extent that the Group has a right (a licence) to charge users of the public services.

Concession assets refer to expressway development expenditure which comprises development and upgrading expenditure (including interest charges relating to financing of the development) incurred in connection with the concession.

Concession assets are stated at cost less accumulated amortisation and impairment losses. Amortisation of the concession assets begins when it is available for use, i.e. commencement of tolling operations.

The amortisation formula applied to arrive at the annual amortisation charge for each financial period is as follows:

$$\frac{\text{Actual toll revenue for the year}}{\text{(Actual toll revenue for the year + Projected total toll revenue for the remaining concession period)}} \times \text{(Carrying amount of concession assets at beginning of the year + Additions during the year)}$$

When an indication of impairment exists, the concession assets are subject to impairment test.

(j) Property, plant and equipment

(i) Measurement basis

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, 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 repairs and maintenance are charged to the profit or loss during the financial year in which they are incurred.

Subsequent to initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses except for certain properties which are stated at valuation carried out in 1993, less accumulated depreciation and impairment losses.

The Group has applied the transitional provision of FRS 116 Property, Plant and Equipment, to retain the revalued amount as if it is at the cost basis. It is not the Group's policy to carry out regular valuations of its property, plant and equipment. The revaluation carried out in 1993 was an one-off exercise, and the carrying amount of the revalued properties has been retained on the basis of their previous revaluation as surrogate cost. Accordingly, this valuation has not been updated.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds and the net carrying amount is recognised in the profit or loss.

(ii) Depreciation

Freehold land and construction-in-progress are not depreciated.

Depreciation is calculated to write off the cost of other property, plant and equipment on the straight line basis to their residual values over their expected economic useful lives at the following annual rates:

The principal annual rates used for this purpose are:

Leasehold land and buildings	2%
Equipment, plant and machinery	10% - 20%
Motor vehicles	20%
Office equipment	10% - 33 1/3%
Furniture and fittings	10%

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

(k) Investment properties

Investment properties are properties held to earn rental income or for capital appreciation or both rather than for use in the production or supply of goods and services or for administrative purposes, or sale in the ordinary course of business.

Property that is being constructed for future use as investment property is classified as investment property. If the fair value cannot be reliably determined, the investment property under construction will be measured at cost less impairment, if any, until such time as fair value can be reliably determined or construction is completed.

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that costs is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property.

Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of reporting period. Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

(l) Leases

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

(i) Finance lease

Leases in which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(ii) Operating lease

Leases where the Group does not assume substantially all the risks and rewards of ownership are classified as operating lease and, except for property interests held under operating lease, the leased assets are not recognised on the statement of financial position. Property interest held under an operating lease which is held to earn rental income or for capital appreciation, or both, is classified as investment property.

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

(m) Development properties

Development properties are classified under two categories i.e. land held for development and property development costs.

Land held for development is defined as land on which development is not expected to be completed within the normal operating cycle. Accordingly, land held for property development is classified as non-current assets on the statement of financial position and is stated at cost plus incidental expenditure incurred to put the land in a condition ready for development.

Land on which development has commenced and is expected to be completed within the normal operating cycle is included in property development costs. Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

Where the outcome of a development can be reasonably estimated, revenue is recognised on the percentage of completion method. The stage of completion is either determined by the proportion that costs incurred to date bear to estimated total costs or surveys of work performed. In applying the cost incurred method of determining stage of completion, only those costs that reflect actual development work performed are included as costs incurred.

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

When it is probable that total costs will exceed total revenue, the foreseeable loss is immediately recognised in the income statement irrespective of whether development work has commenced or not, or of the stage of completion of development activity, or of the amounts of profits expected to arise on other unrelated development projects.

The excess of revenue recognised in the income statement over the billings to purchasers of properties is recognised as accrued billings under current assets.

The excess of billings to purchasers of properties over revenue recognised in the income statement is recognised as progress billings under current liabilities.

(n) Construction contracts

The Group's construction contracts are all fixed price contracts and where their outcome can be reasonably estimated, revenue is recognised on the percentage of completion method. The stage of completion is determined by the proportion that costs incurred to-date bear to estimated total costs, and for this purpose, only those costs that reflect actual contract work performed are included as costs incurred.

When the outcome of a construction contract cannot be reasonably estimated, revenue is recognised only to the extent of contract costs incurred that are expected to be recoverable. At the same time, all contract costs incurred are recognised as an expense in the period in which they are incurred.

Costs that relate directly to a contract and which are incurred in securing the contract are also included as part of contract costs if they can be separately identified and measured reliably and it is probable that the contract will be obtained.

Where it is probable that the total costs will exceed total revenue, the foreseeable loss is immediately recognised in the profit or loss irrespective of whether contract work has commenced or not, or the stage of completion of contract activity, or the amounts of profits expected to arise on other unrelated contracts.

On the statement of financial position, contracts work-in-progress are reflected either as gross amounts due from or due to customers, where a gross amount due from customers is the surplus of (i) costs incurred plus profits recognised under the percentage of completion method over (ii) recognised foreseeable losses plus progress billings. A gross amount due to customers is the surplus of (ii) over (i).

(o) Provision for heavy repairs

Heavy repairs relate to repairments of bridges, slopes and embankments, rectification of settlements and pavement rehabilitation of medium and high traffic sections along the expressway.

Provision for heavy repairs being the contractual obligations to maintain and restore the infrastructure to a specified standard of serviceability, is recognised and measured at the present value of estimated expenditures expected to be required to settle the present obligation at the reporting date.

(p) Impairment of non-financial assets

Property, plant and equipment, land held for property development, investment in subsidiaries companies and associates.

Property, plant and equipment, land held for property development, investment in subsidiaries companies, and associates are assessed at each balance sheet date to determine whether there is any indication of impairment.

If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less cost to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the assets. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are charged to the profit or loss.

Any reversal of an impairment loss as a result of a subsequent increase in recoverable amount should not exceed the carrying amount that would have been determined (net of amortisation or depreciation, if applicable) had no impairment loss been previously recognised for the asset.

(q) Impairment of financial assets

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

Assets carried at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in the income statements.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying amount of the financial asset.

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

Assets carried at cost

If there is objective evidence that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Such impairment losses are not reversed in subsequent periods.

(r) Equity instruments

Ordinary shares are recorded at the nominal value and proceeds received in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Cost directly attributable to the issuance of the shares is accounted for as a deduction from share premium, otherwise, it is charged to the income statement.

Dividend on equity instruments is recognised in equity in the period in which they are declared.

Preference shares are classified as equity instruments if they are irredeemable or redeemable only at discretion of the issuer; and dividend is at discretion of the issuer. Dividend thereon is accounted in equity.

Preference shares are classified as financial liabilities if they are redeemable on a specific date, redeemable at discretion of the holders, and/or dividend is obligatory. Dividend thereon is accounted for in profit or loss.

(s) Revenue recognition

(i) Construction contracts

Revenue from construction contracts is recognised on the percentage of completion method where the outcome of the contracts can be reliably estimated.

Revenue from construction contracts represents the proportionate contract value on construction contracts attributable to the percentage of contract work performed during the financial year.

(ii) Toll revenue

Toll revenue is accounted for as and when toll is chargeable for the usage of the expressway.

(iii) Hiring and rental income

Hiring and rental income are recognised on a time proportion basis over the lease term.

(iv) Management fee

Revenue from project management services are recognised on an accrual basis when the services are rendered.

(v) Dividend income

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

(vi) Interest income

Interest income is recognised on a time proportion basis using the effective interest rate applicable.

(vii) Servicing fees

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

(t) Employee benefits

(i) Short term employee benefits

Salaries, wages, bonuses, allowances, paid annual leave and paid sick leave are recognised as an expense in the period in which the services are rendered by employees.

(ii) Defined contribution plan

As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss in the period to which they relate.

(iii) Termination benefits

Employee termination benefits are recognised only either after an agreement is in place with the appropriate employee representatives specifying the terms of redundancy or after individual employees have been advised of the specific terms.

(u) Borrowing costs

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

All other borrowing costs are recognised in profit or loss using the effective interest method.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(v) Taxation

The tax expense in the statement of comprehensive income comprises current tax and deferred tax included in the determination of profit or loss for the financial year.

On the statement of financial position, a deferred tax liability is recognised for taxable temporary differences, while a deferred tax asset is recognised for deductible temporary differences and unutilised tax losses only to the extent that is probable that taxable profit will be available in future against which the deductible temporary differences and tax losses can be utilised.

No deferred tax is recognised for temporary differences arising from the initial recognition of:

(i) goodwill; or

(ii) an asset or liability which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured based on tax consequences that would follow from the manner in which the asset or liability is expected to be recovered or settled, and based on tax rates enacted or substantively enacted by the end of the reporting period that are expected to apply to the period when the asset is realised or when the liability is settled.

Current tax and deferred tax are charged or credited directly to other comprehensive income if the tax relates to items that are credited or charged, whether in the same or a different period, directly to other comprehensive income.

(w) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, bank overdrafts, fixed deposits (but exclude those pledged to secure banking facilities) and other short-term, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value.

(x) Segment reporting

Segment reporting in the financial statements is presented on the same basis as it is used by management internally for evaluating operating segment performance and in deciding how to allocate resources to each operating segment. Operating segments are distinguishable components of the Group that engage in business activities from which they may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's results are reviewed regularly by the chief operating decision maker to decide how to allocate resources to the segment and assess its performance, and for which discrete financial information is available.

Segment revenue, expense, assets and liabilities are those amounts resulting from operating activities of a segment that are directly attributable to the segment and a relevant portion that can be allocated on a reasonable basis to the segment.

Segment revenue, expense, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment.

2. PROPERTY, PLANT AND EQUIPMENT

Group

2013 Cost/Valuation	Freehold and leasehold land and buildings RM'000	Equipment, plant and machinery RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Total RM'000
At 1 July 2012						
Cost	91,866	11,131	23,613	4,573	2,211	133,394
Valuation	6,382	-	-	-	-	6,382
	98,248	11,131	23,613	4,573	2,211	139,776
Acquisition of subsidiaries	-	22	478	1,047	294	1,841
Additions	5,509	31	1,762	197	132	7,631
Disposals	-	(360)	(1,415)	(7)	-	(1,782)
Write-offs	-	-	-	(443)	-	(443)
At 30 June 2013						
Cost	97,375	10,824	24,438	5,367	2,637	140,641
Valuation	6,382	-	-	-	-	6,382
	103,757	10,824	24,438	5,367	2,637	147,023

Accumulated depreciation	Freehold and leasehold land and buildings RM'000	Equipment, plant and machinery RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Total RM'000
At 1 July 2012	2,606	11,131	15,790	4,229	1,801	35,557
Charge for the year	340	5	1,426	177	74	2,022
Disposals	-	(360)	(702)	(7)	-	(1,069)
Write-offs	-	-	-	(443)	-	(443)
At 30 June 2013	2,946	10,776	16,514	3,956	1,875	36,067
Net carrying amount at 30 June 2013						
Cost	96,871	48	7,924	1,411	762	107,016
Valuation	3,940	-	-	-	-	3,940
	100,811	48	7,924	1,411	762	110,956

Group

2012 Cost/Valuation	Freehold and leasehold land and buildings RM'000	Equipment, plant and machinery RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Construction-in-progress RM'000	Total RM'000
At 1 July 2011							
Cost	108,738	12,792	22,051	4,529	1,846	8,446	158,402
Valuation	6,382	-	-	-	-	-	6,382
	115,120	12,792	22,051	4,529	1,846	8,446	164,784
Additions	12,788	-	2,046	53	365	6,143	21,395
Disposals	-	(1,560)	(484)	(5)	-	-	(2,049)
Write off	-	(101)	-	(4)	-	-	(105)
Transfer to investment properties (see Note 3)	-	-	-	-	-	(14,589)	(14,589)
Transfer to land held for development (see Note 4)	(29,660)	-	-	-	-	-	(29,660)
At 30 June 2012							
Cost	91,866	11,131	23,613	4,573	2,211	-	133,394
Valuation	6,382	-	-	-	-	-	6,382
	98,248	11,131	23,613	4,573	2,211	-	139,776

Accumulated depreciation	Freehold and leasehold land and buildings RM'000	Equipment, plant and machinery RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Construction-in-progress RM'000	Total RM'000
At 1 July 2011	4,282	12,780	14,770	4,137	1,745	-	37,714
Charge for the year	311	12	1,376	101	56	-	1,856
Disposals	-	(1,560)	(356)	(5)	-	-	(1,921)
Write off	-	(101)	-	(4)	-	-	(105)
Transfer to land held for development (see Note 4)	(1,987)	-	-	-	-	-	(1,987)
At 30 June 2012	2,606	11,131	15,790	4,229	1,801	-	35,557
Net carrying amount at 30 June 2012							
Cost	91,769	-	7,823	344	410	-	100,346
Valuation	3,873	-	-	-	-	-	3,873
	95,642	-	7,823	344	410	-	104,219

Company

2013 Cost/Valuation	Freehold and leasehold land and buildings RM'000	Equipment, plant and machinery RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Total RM'000
At 1 July 2012						
Cost	1,509	9,352	15,533	3,171	2,034	31,599
Valuation	6,382	-	-	-	-	6,382
	7,891	9,352	15,533	3,171	2,034	37,981
Additions	-	-	1,590	106	65	1,761
Disposals	-	(360)	(1,254)	(7)	-	(1,621)
Write-offs	-	-	-	(443)	-	(443)
At 30 June 2013						
Cost	1,509	8,992	15,869	2,827	2,099	31,296
Valuation	6,382	-	-	-	-	6,382
	7,891	8,992	15,869	2,827	2,099	37,678
Accumulated Depreciation						
At 1 July 2012	2,423	9,352	11,158	3,087	1,659	27,679
Charge for the year	136	-	824	55	51	1,066
Disposals	-	(360)	(642)	(7)	-	(1,009)
Write-offs	-	-	-	(443)	-	(443)
At 30 June 2013	2,559	8,992	11,340	2,692	1,710	27,293
Net carrying amount at 30 June 2013						
Cost	1,392	-	4,529	135	389	6,445
Valuation	3,940	-	-	-	-	3,940
	5,332	-	4,529	135	389	10,385

Company

2012 Cost/Valuation	Freehold and leasehold land and buildings RM'000	Equipment, plant and machinery RM'000	Motor vehicles RM'000	Office equipment RM'000	Furniture and fittings RM'000	Total RM'000
At 1 July 2011						
Cost	1,509	11,013	14,095	3,149	1,670	31,436
Valuation	6,382	-	-	-	-	6,382
	7,891	11,013	14,095	3,149	1,670	37,818
Additions	-	-	1,686	31	364	2,081
Disposals	-	(1,560)	(248)	(5)	-	(1,813)
Write-offs	-	(101)	-	(4)	-	(105)
At 30 June 2012						
Cost	1,509	9,352	15,533	3,171	2,034	31,599
Valuation	6,382	-	-	-	-	6,382
	7,891	9,352	15,533	3,171	2,034	37,981
Accumulated Depreciation						
At 1 July 2011	2,286	11,001	10,464	3,060	1,612	28,423
Charge for the year	137	12	815	36	47	1,047
Disposals	-	(1,560)	(121)	(5)	-	(1,686)
Write-offs	-	(101)	-	(4)	-	(105)
At 30 June 2012	2,423	9,352	11,158	3,087	1,659	27,679
Net carrying amount at 30 June						
Cost	1,412	-	4,375	84	375	6,246
Valuation	4,056	-	-	-	-	4,056
	5,468	-	4,375	84	375	10,302

(a) Details of land and buildings are as follows:

Group	Cost/ Valuation 2013 RM'000	Accumulated depreciation 2013 RM'000	Net carrying amount 2013 RM'000	Net carrying amount 2012 RM'000
Freehold				
- land, at cost	81,757	-	81,757	81,757
- building, at cost	14,255	387	13,868	8,746
	96,012	387	95,625	90,503
Freehold				
- land, at valuation	568	-	568	568
- building, at valuation	5,814	2,442	3,372	3,488
	6,382	2,442	3,940	4,056
	102,394	2,829	99,565	94,559
Company				
Freehold land, at cost	145	-	145	145
Freehold				
- land, at valuation	568	-	568	568
- building, at valuation	5,814	2,442	3,372	3,488
	6,382	2,442	3,940	4,056
	6,527	2,442	4,085	4,201

(b) The Directors valued the freehold land and building of the Company based on valuation carried out by an independent firm of professional valuers on the open market value basis in 1992 which was approved and revised by the Securities Commission using the comparison method of valuation in 1993.

The net carrying amount of the revalued freehold land and building of the Company that would have been included in the financial statements had the property been carried at cost less accumulated depreciation is RM2,319,900 (2012 : RM2,387,834).

(c) Included in the cost of property, plant and equipment are fully depreciated property, plant and equipment as follows:

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Equipment, plant and machinery	10,337	11,131	8,992	9,352
Motor vehicles	12,029	9,628	9,388	8,098
Office equipment	2,912	3,800	2,608	2,914
Furniture and fittings	1,630	789	1,583	706
	26,908	25,348	22,571	21,070

(d) Included in the net carrying amounts of property, plant and equipment are the following:

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Motor vehicles acquired under hire purchase	5,795	5,475	3,578	3,278
Motor vehicles registered in the names of third parties holding in trust for the Group	163	104	-	-
Freehold and leasehold land and building charged to licensed banks for banking facilities granted to the Group	55,567	57,908	-	-

3. INVESTMENT PROPERTIES

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
At 1 July	49,013	28,829	16,040	16,040
Additions	1,912	5,991	-	-
Disposals	(101)	(396)	-	-
Change in fair value	6,438	-	4,110	-
Transfer from property, plant and equipment (see note 2)	-	14,589	-	-
At 30 June	57,262	49,013	20,150	16,040

Investment properties comprise:

	Group 2013	Group 2012	Company 2013	Company 2012
At fair value				
- Freehold land and commercial buildings/apartments	29,038	23,016	19,850	15,740
- Short term leasehold land and buildings	300	300	300	300
- Long term leasehold land and buildings/apartments	13,335	11,108	-	-
At cost				
- Constructions in progress	14,589	14,589	-	-
	57,262	49,013	20,150	16,040

The title deeds to the completed freehold land and commercial buildings amounted of RM976,000 (2012: RM5,753,000) were pending transfer to the Group.

The title deeds to the leasehold land and apartments of NIL (2012: RM2,580,000) have yet to be issued by the relevant authorities.

The fair values of the investment properties are arrived at by reference to valuations by a registered independent valuer having appropriate recognised professional qualifications.

4. LAND HELD FOR DEVELOPMENT

Group	Land rights at cost RM'000	Freehold/ Leasehold land at cost RM'000	Development expenditure at cost RM'000	Total RM'000
At 1 July 2011	4,961	13,344	3,349	21,654
Additions	-	-	1,000	1,000
Transfer from property, plant and equipment (see note 2)	-	27,673	-	27,673
Reclassification	(4,961)	4,961	-	-
At 30 June 2012	-	45,978	4,349	50,327
Additions	-	5,581	29,631	35,212
Disposal	-	(500)	-	(500)
At 30 June 2013	-	51,059	33,980	85,039

The land rights in the previous financial year represented rights to develop parcels of land via a Power of Attorney granted to the Group pursuant to a joint venture agreement entered into between the Group and a third party. The ownership of the land had been transferred to a subsidiary of the Company in previous financial year.

The freehold and leasehold lands amounted RM32,754,000 (2012: RM41,017,000) are charged to a licensed bank for banking facilities granted to the Group.

5. CONCESSION ASSETS

	Group 2013 RM'000	Group 2012 RM'000
Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd	1,485,696	-
Accumulated amortisation		
Charge for the year	(2,091)	-
Net carrying amount		
At 30 June	1,483,605	-

The concession assets are related to a concession agreement dated 12 August 2004 entered into between Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd ("Kesturi") and the Government of Malaysia ("the Concession Agreement") whereby the Government of Malaysia granted Kesturi the right and authority to undertake the design, construction, operation, management and maintenance of the Duta-Ulu Kelang Expressway for a period of 34 years.

The concession assets are charged as security for the borrowings as disclosed in notes 16 and 17.

6. INVESTMENTS IN SUBSIDIARIES

	Company 2013 RM'000	Company 2012 RM'000
Unquoted shares, at cost	359,727	21,997
Less: Accumulated impairment losses	(3,924)	(3,924)
	355,803	18,073
Capital contributions	134,400	-
	490,203	18,073

The capital contributions for the subsidiaries' capital expenditure and working capital purposes are treated as quasi-equity. The capital contributions have no fixed term of repayment and repayable at the discretion of the wholly-owned subsidiaries.

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

	Effective equity interest 2013 %	Effective equity interest 2012 %	Principal activities
Binawani Sdn Bhd	100	100	Civil engineering and building works
Ekofield Danga Cove Sdn Bhd	51	51	Inactive
Ekofield Projects Sdn Bhd	51	51	Inactive
Ekofield Property Sdn Bhd	51	51	Inactive
Ekovest Brunsfield Holdings Sdn Bhd	51	51	Investment holding
Ekovest Construction Sdn Bhd	100	100	Civil engineering and building works
Ekovest-Faber Sdn Bhd	60	60	Inactive
Ekovest Land Sdn Bhd	100	100	Investment holding
Ekovest-MRCB Construction Sdn Bhd	60	-	Inactive
Ekovest-MRCB JV Sdn Bhd	60	-	Project coordinator and manager for 'River of Life' project
Ekovest Oil & Gas Sdn Bhd	50	50	Inactive
Ekovest Project Management Sdn Bhd	100	100	Project management for construction works
Ekovest Properties Sdn Bhd	100	100	Property investment
Ekovest World Sdn Bhd	100	100	Inactive
Heritage Reno Sdn Bhd	100	100	Property investment
Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd	70	-	Design, construction, operation, management and maintenance of the Duta-Ulu Kelang Expressway
Milan Energy Sdn Bhd	100	100	Property investment
Milan Prestasi Sdn Bhd	100	100	Property investment
Milan Ventures Sdn Bhd	100	100	Inactive
Milan Resources Sdn Bhd	100	100	Civil engineering and building works
Nuzen Corporation Sdn Bhd	70	-	Investment holding
Prompt Capital Sdn Bhd	100	100	Property investment
Saujarena Bina Sdn Bhd	100	100	Property investment
Sunview Capital Sdn Bhd	100	100	Property investment
Temasek Megamas Sdn Bhd	100	100	Property investment
Timur Terang Sdn Bhd	100	100	Property investment
Wira Kristal Sdn Bhd	100	-	Investment holding

7. OTHER INVESTMENTS

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Held-to-maturity				
Unquoted redeemable preference shares				
- Wira Kristal Sdn Bhd	-	30,772	-	-
- Kesturi	-	153,015	-	-
	-	183,787	-	-
Junior Bonds				
- Kesturi	-	35,000	35,000	35,000
	-	218,787	35,000	35,000

The salient features of the Junior Bonds are as follows:

(i) The Junior Bonds have a tenure of 19.5 years from the date of issuance; and

(ii) The Junior Bonds' coupon is calculated at a rate of 11.5% p.a., any interest on overdue and payable amount shall be payable at 1% p.a. plus the prescribed coupon of the Junior Bonds.

8. AMOUNT OWING BY SUBSIDIARIES

The amount owing by subsidiaries under non-current assets represents unsecured advances which are interest free and not repayable within the next 12 months.

Amount owing by subsidiaries included under current assets represents unsecured advances which are interest free and payable within 12 months except for an amount of RM23,852,000 (2012 : RM33,399,000) which bears interest at 3.00% (2012 : 2.99%) per annum.

9. DEFERRED TAX ASSETS

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
At 1 July	10,528	-	-	-
Recognised in profit or loss	(4,301)	10,528	-	-
At 30 June	6,227	10,528	-	-

Temporary differences recognised as deferred tax assets arose mainly from amounts that are deductible in determining taxable profit of future periods when the carrying amount of the liability is settled.

The Group has recognised the deferred tax assets as it is probable that its existing construction projects would generate sufficient taxable profit in the future against which the deferred tax assets can be utilised.

At 30 June 2013, the Group has not recognised deferred tax assets arising from the following temporary differences as it is not probable that future taxable profit will be available against which the assets can be utilised.

	Group	
	2013	2012
	RM'000	RM'000
Deductible temporary differences on		
- unused tax losses	7,510	7,813
- unabsorbed capital allowances	176	176
	7,686	7,989
Taxable temporary differences between net carrying amount and tax written down value of property, plant and equipment	(79)	(79)
	7,607	7,910

10. GROSS AMOUNT DUE FROM/(TO) CUSTOMERS

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Cost of contracts	764,989	667,895	167,727	154,767
Attributable profit less foreseeable losses recognised to-date	149,870	118,808	16,457	9,594
	914,859	786,703	184,184	164,361
Progress billings	(901,592)	(821,950)	(182,873)	(168,404)
	13,267	(35,247)	1,311	(4,043)

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Represented by:				
Gross amount due from customers	26,285	14,923	1,311	-
Gross amount due to customers	(13,018)	(50,170)	-	(4,043)
	13,267	(35,247)	1,311	(4,043)
Retention sums receivable from customers (included in trade receivables, note 11)	17,298	16,069	8,064	8,064

11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Trade receivables	83,310	105,058	8,523	9,659
Other receivables	28,179	23,176	2,393	4,638
Sundry deposits and prepayments	2,986	2,090	1,634	278
	114,475	130,324	12,550	14,575

Trade receivables comprise amounts receivable from progress billings made to customers on contract work performed, retention sums receivable and services rendered to customers. Customers are granted normal credit periods of between 30 and 90 days and may be extended at the discretion of the management, while retention sums are receivable upon the expiry of the defect liability periods of the respective construction contracts. The defect liability periods of the construction contracts are between 12 and 24 months.

Included in trade receivables are:

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Amounts owing by companies in which certain Directors have financial interests	55,877	72,994	266	561

The trade receivables are unsecured and interest free.

Included in other receivables are the following:

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Amounts owing by companies in which certain Directors have financial interests	921	1,387	621	820

The other receivables represent unsecured advances which are interest free and payable on demand.

12. SHORT TERM DEPOSITS

The short term deposits are placed with licensed banks and earned interest at between 2.06% and 3.14% (2012: 2.13% and 2.78%) per annum. The fixed and time deposits have maturity periods of less than one year.

13. SHARE CAPITAL

	2013 Number of shares '000	2013 Nominal value RM'000	2012 Number of shares '000	2012 Nominal value RM'000
Authorised				
Ordinary shares of RM1 each	1,000,000	1,000,000	200,000	200,000
Issued and fully paid				
Ordinary shares of RM1 each				
At 1 July	178,794	178,794	178,794	178,794
Issue	126,723	126,723	-	-
At 30 June	305,517	305,517	178,794	178,794

On 9 May 2013, the Company issued 126,723,735 new ordinary shares of RM1 each at an issue price of RM2.57 per share.

14. HIRE PURCHASE LIABILITIES

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Outstanding hire purchase instalments due:				
- not later than one year	1,672	1,759	908	1,105
- later than one year and not later than five years	2,091	2,632	1,432	1,556
	3,763	4,391	2,340	2,661
Unexpired term charges	(240)	(334)	(163)	(203)
	3,523	4,057	2,177	2,458
Outstanding principal due				
- not later than one year (included in current liabilities)	1,553	1,585	841	1,000
- later than one year and not later than five years	1,970	2,472	1,336	1,458
	3,523	4,057	2,177	2,458

The effective interest rates of the hire purchase liabilities are between 2.69% and 5.77% (2012 : 2.55% and 5.39%) per annum.

15. BANK TERM LOANS

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Bank term loan bearing interest rate at 1.00% above base lending rate [effective rate 7.6% (2012: 7.6%) p.a.]	3,365	2,134	-	-
Bank term loan bearing interest rate at 1.25% above base lending rate [effective rate 7.85% (2012: 7.85%) p.a.]	-	2,255	-	-
Bank term loan bearing interest rate at 0.75% above base lending rate [effective rate 7.35% (2012: 7.35) p.a.]	2,385	2,441	-	-
Bank term loan bearing fixed interest rate at 5. 5% p.a.	50,000	-	50,000	-
Bank term loan bearing interest rate at 2.2% below base lending rate [effective rate 4.4% p.a.]	1,193	-	-	-
	56,943	6,830	50,000	-
Repayments due within 12 months (included in current liabilities, note 22)	(344)	(1,350)	-	-
Repayments due after 12 months	56,599	5,480	50,000	-

The bank term loans are secured by a first party legal charge over the freehold land of the Group and a deed of assignment of rental proceeds. They are also guaranteed by the Company.

16. ISLAMIC MEDIUM TERM NOTES

The amount represents Islamic medium term notes ("IMTN") issued by Kesturi, an indirect subsidiary acquired by the Company during the year. Kesturi issued IMTN pursuant to the Sukuk issuance programme under the Shariah principle of Musyarakah. The IMTN at nominal value of RM1.00 each was constituted by a Trust Deed dated 20 October 2010 between Kesturi and the trustee for the holders of the IMTN.

The IMTN was issued in 12 tranches, with maturities commencing from 2018 to 2029. The profit payment is due every six months, commencing from the issue date of the relevant tranche of the IMTN ("Periodic Payment Period").

The terms and covenants of the IMTN include the following:

(i) Kesturi must maintain a finance service coverage ratio ("FSCR") of at least 1.75 times;

(ii) Kesturi will maintain a Finance Service Reserve Account ("FSRA") at any time during the tenure of the IMTN which has a minimum balance equivalent to the next 6 months' projected debt service. In the event that the balance held in FSRA is less than or exceeds the minimum required balance (except in the case where the initial deposit is not utilised), the shortfall or excess shall be topped up or released from revenue account; and

(iii) In the event Kesturi utilises the balance in the FSRA, Kesturi is to top up the FSRA within 45 days. Non-compliance of the minimum balance does not constitute on event of default.

Kesturi as the legal and beneficial owner and as a continuing security for the due and punctual payment of the bond has absolutely assigned and charged to the security trustee as security trustee for and on behalf of the IMTN holders as follows:

(i) a first ranking fixed and floating charge on the assets of Kesturi, other than the Redeemable Secured Junior Bond's FSRA ("Junior FSRA") as disclosed in note 17, both present and future;

(ii) a first ranking assignment on all Kesturi's rights, interests, titles and benefits under the Concession Agreement to demand, collect and retain toll for its own benefit from all vehicles liable to pay toll using the expressway and other relevant project documents and proceeds there from;

(iii) a first ranking assignment of Kesturi's rights, interests, titles and benefits in all performance and/or maintenance bonds in relation to the project and the proceeds there from except where such performance and/or maintenance bonds are used or to be used as security for other parties (including the Government of Malaysia) in accordance with the Concession Agreement, in which case the security of the IMTN holders shall rank second after the security of the Government of Malaysia or such other parties;

(iv) a first ranking assignment on all designed accounts and the credit balances therein; and

(v) a first ranking assignment of Kesturi's rights, interests and titles and benefits in all relevant insurance policies of Kesturi or in respect of the project.

17. REDEEMABLE SECURED JUNIOR BONDS

The amount represents redeemable secured junior bonds ("Junior Bonds") issued by Kesturi, an indirect subsidiary acquired by the Company during the year. The Junior Bonds at nominal value RM1.00 each were constituted by a Trust Deed dated 20 October 2010 made between Kesturi and the trustee for the holders of the Junior Bonds. The tenure of the Junior Bonds is 19.5 years from the date of issuance.

The Junior Bonds are secured by a first ranking charge and assignment of the Junior FSRA and the credit balances therein. Upon the first coupon payment date, Kesturi will deposit an amount equivalent to the expected coupon payment which will become due and payable in the next 6 months, subject to the meeting of all obligations under the IMTN. The amount equivalent to the expected coupon payment represents the Junior FSRA amount. Kesturi must maintain a FSCR of at least 1.25 times.

18. PROVISION FOR HEAVY REPAIRS

	Group	
	2013	2012
	RM'000	RM'000
At 1 July	-	-
Acquisition of subsidiaries	3,384	-
Provision during the year	203	-
At 30 June	3,587	-

Provision for heavy repairs relates to estimated costs to maintain and restore the expressway to a specified standard of serviceability.

19. DEFERRED TAX LIABILITIES

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
At 1 July	339	441	131	288
Acquisition of subsidiaries	189,702	-	-	-
Recognised in profit or loss	2,455	(102)	-	(157)
At 30 June	192,496	339	131	131

The deferred tax liabilities comprise:

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Taxable temporary differences				
- relating to revaluation of properties	78	78	78	78
- between net carrying amount and tax written down value of property, plant and equipment	53	261	53	53
- relating to fair value adjustments on assets and liabilities	192,365	-	-	-
	192,496	339	131	131

20. TRADE AND OTHER PAYABLES

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Trade payables	70,096	77,603	9,566	8,493
Other payables	37,201	13,113	2,459	1,247
Deposits	895	715	-	-
Accruals	1,807	900	825	547
Profit elements payable on IMTN and Junior Bonds	10,444	-	-	-
	120,443	92,331	12,850	10,287

Trade payables comprise amounts outstanding from trade purchases, sub-contractors claims on contract works performed and retention sums payable. The normal credit periods granted by trade suppliers and sub-contractors range from 30 to 90 days whereas retention sums are payable upon the expiry of the defect liability periods of the respective construction contracts. The defect liability periods of the construction contracts are between 12 and 24 months.

Included in trade payables are :

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Amounts owing to companies in which certain Directors have financial interests	986	505	-	-

Included in other payables are:

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Amounts owing to companies in which certain Directors have financial interests	535	535	-	-

The other payables represent unsecured advances which are interest free and payable within 12 months.

21. REDEEMABLE PREFERENCE SHARES

The amount represents redeemable preference shares ("RPS") issued by Kesturi, an indirect subsidiary acquired by the Company during the year. The RPS of RM1 each is classified as financial liability.

As agreed between the holders and the issuer of the RPS, all the RPS will be redeemed in next financial year.

The salient features of the RPS are as follows:

(i) the RPS holders have the rights to a fixed cumulative gross dividend rate of 8% per annum, to be calculated based on the issue price of RM100,000 per RPS. Any unpaid dividends shall be charged a compounded interest rate of 8% per annum;

(ii) the RPS do not carry any rights to participate in the profits or surplus assets of the issuer;

(iii) the RPS holders have the rights on a winding-up or other return of capital to payment, prior to all other shares;

(iv) the RPS shall be redeemed partially or in full on a RPS redemption date, at the option of the issuer. At the maturity date, which is 24 years from the first subscription date, any RPS not redeemed shall be automatically redeemed. The redemption rate is as stipulated in the Article of Association of the issuer; and

(v) the holders do not have any right to vote at the issuer's general meeting other than as conferred by Section 148(2) of the Companies Act, 1965.

22. BANK BORROWINGS

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Bank overdrafts				
- secured, bearing interest rates between 0.5% and 1.75% above base lending rate [effective rate between 7.10% and 8.35% (2012: 7.10% and 7.85%) p.a.]	48,618	45,387	19,166	5,368
Unsecured revolving credit bearing interest at floating rates between 3.60% and 5.38% (2012: 3.57% and 4.86%) p.a.	30,000	15,000	30,000	15,000
	78,618	60,387	49,166	20,368
Bank term loans (note 15)	344	1,350	-	-
	78,962	61,737	49,166	20,368

The bank overdrafts are secured as follows:

(a) a first party legal charge over the leasehold land and freehold land of the Group and are also guaranteed by the Company.

(b) a first party legal charge over the freehold land of the Group and a deed of assignment of rental proceeds from the land.

23. REVENUE

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Contract revenue	120,752	204,378	19,824	4,673
Toll revenue	14,653	-	-	-
Hire of machineries and motor vehicles	633	616	650	640
Rental income from investment properties	3,719	3,954	224	243
Management fee	1,209	-	-	-
	140,966	208,948	20,698	5,556

24. COST OF SALES

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Contract costs	76,379	136,254	13,020	4,714
Direct operating costs relating to hire of machineries and motor vehicles	1,691	169	201	193
Direct operating costs relating to investment properties				
- revenue generating	86	53	47	47
- non-revenue generating	161	522	161	521
	78,317	136,998	13,429	5,475

25. FINANCE COSTS

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Finance costs on:				
- hire purchase	211	229	135	128
- bank borrowings	5,497	3,629	2,467	371
- payables	1,982	1,104	20	151
- IMTN and Junior Bonds	2,006	-	-	-
- redeemable preference shares	7,622	-	-	-
	17,318	4,962	2,622	650
Finance costs classified in contract costs under cost of sales				
- hire purchase term charges	-	(128)	-	(128)
	17,318	4,834	2,622	522

26. PROFIT BEFORE TAX

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Profit before tax is stated after charging:				
Auditors' remuneration	162	128	70	64
Amortisation of concession assets	2,091	-	-	-
Depreciation	2,022	1,856	1,066	1,047
Directors' fees	230	140	180	140
Directors' remuneration other than fees	2,714	2,280	1,098	907
Loss on disposal property, plant and equipment	162	-	122	-
Operating lease				
- rental of premises	594	143	14	29
- rental of machinery	771	1,236	12	9
- motor vehicles	1,301	1,243	2	2
Provision for heavy repairs	203	-	-	-
and crediting:				
Dividend income from subsidiary	-	-	7,000	7,000
Gain on financial assets measured at amortised cost:				
- RPS	21,604	24,845	-	-
- others	8	99	652	615
Gain on disposal of				
- property, plant and equipment	-	284	-	245
- investment properties	21	71	-	-
- an associate	125	-	125	-
- land held for property development	1,061	-	-	-
Change in fair value of investment properties	6,438	-	4,110	-
Hire of machineries and motor vehicles	761	793	650	640
Gain on acquisitions	9,316	-	-	-
Interest income				
- subsidiary	-	-	775	945
- fixed and time deposits	1,893	2,191	343	242
- other investment	4,014	4,058	4,683	4,058
Rental income from				
- investment properties	462	229	224	243
- others	398	508	398	382

The estimated monetary value of benefits-in-kind received by the Directors otherwise than in cash from the Group amounted to RM66,000 (2012: RM66,000).

27. TAX EXPENSE

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Malaysian taxation				
- current	12,356	22,800	3,050	1,493
- deferred	378	(6,095)	-	42
	12,734	16,705	3,050	1,535
(Over)/Underestimated in prior year				
- current	(2,402)	(635)	277	(199)
- deferred	6,378	(4,535)	-	(199)
	16,710	11,535	3,327	1,137

The reconciliations between the tax expense and the accounting profit are as follows:

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Accounting profit (excluding share of results of associates)	66,745	84,186	12,385	4,886
Tax at the applicable tax rate of 25% (2012: 25%)	16,686	21,047	3,096	1,221
Tax effect of expenses not deductible in determining taxable profit	9,110	2,384	1,254	451
Tax effect of income not taxable in determining taxable profit	(12,974)	(6,703)	(1,300)	(134)
Utilisation of deferred tax assets not recognised previously	(88)	(20)	-	-
Others	-	(3)	-	(3)
Current tax expense (over)/under estimated in prior year	(2,402)	(635)	277	(199)
Deferred tax under/(over) estimated in prior year	6,378	(4,535)	-	(199)
Tax expense for the year	16,710	11,535	3,327	1,137

28. EARNINGS PER SHARE

The basic earnings per share have been calculated based on the consolidated net profit for the year attributable to ordinary shareholders of the Company of RM50,071,000 (2012: RM72,644,000) and a weighted average number of ordinary shares outstanding, calculated as follows:

	2013 '000	2012 '000
Number of ordinary shares at 1 July	178,794	178,794
Effects of shares issued during the year	21,120	-
Weighted average number of ordinary shares at 30 June	199,914	178,794

29. DIVIDEND

	Group and Company	
	2013 RM'000	2012 RM'000
Recognised as distribution to equity holders during the year:		
First and final dividend of 5% less 25% tax for the financial year ended 30 June 2012 (2012 : First and final dividend of 5% less 25% tax for the financial year ended 30 June 2011)	6,705	6,705
Net dividend per ordinary share (sen)	3.75	3.75

At the forthcoming annual general meeting, a first and final single tier dividend of 1% amounting to RM3,055,175 (1 sen per ordinary share) in respect of the financial year ended 30 June 2013 will be proposed for approval by shareholders.

30. EMPLOYEES BENEFITS EXPENSE

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Salaries, wages, allowances and bonuses				
- Executive Directors	2,431	2,042	980	810
- Other employees	8,637	4,476	2,648	2,090
Defined contribution plan - EPF contributions				
-Executive Directors	283	238	118	97
-Other employees	820	505	289	249
Social security costs				
- SOCSO contributions	64	37	16	14
Other benefits expenses	372	411	183	122
	12,607	7,709	4,234	3,382

31. RELATED PARTY DISCLOSURES

Significant transactions with related parties during the financial year were as follows:

(a) Transactions with companies in which certain Directors have financial interest:

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Progress billings from				
- Wengcon Marketing Sdn Bhd	862	-	-	-
Progress billings to				
- Danga Bay Sdn Bhd	4,952	4,155	-	-
- Teras Hijaujaya Sdn Bhd	31,135	64,252		
Purchases of building/construction materials from				
- Wengcon Equipment Sdn Bhd	-	90	-	-
- Wengcon Marketing Sdn Bhd	1,710	1,948	-	-
Rental of machineries and motor vehicles from				
- Segi Gemilang Sdn Bhd	1,200	1,200	-	-
- Wengcon Holdings Sdn Bhd	-	779	-	-
- Wengcon Equipment Sdn Bhd	273	79	-	-
- Wengcon Marketing Sdn Bhd	66	-	-	-
- Segi Tiara Sdn Bhd	60	-	-	-

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Rental of machineries and motor vehicles to				
- Wengcon Holdings Sdn Bhd	-	49	-	49
- Segi Tiara Sdn Bhd	227	246	200	171
- Aramijaya Sdn Bhd	110	13	91	-
- Danga Bay Sdn Bhd	92	68	32	52
- Wengcon Equipment Sdn Bhd	107	65	107	-
- Rampai Fokus Sdn Bhd	73	-	73	-
- Rediant Seas Sdn Bhd	18	-	18	-
Rental of office to				
- Danga Bay Sdn Bhd	72	72	72	72
- Segi Tiara Sdn Bhd	90	144	90	144
- Wengcon Equipment Sdn Bhd	60	60	60	60
- Wengcon Marketing Sdn Bhd	72	72	72	72
- Aramijaya Sdn Bhd	30	-	30	-
- Rediant Seas Sdn Bhd	34	-	34	-
Sale of property, plant and equipment to				
- Wengcon Holding Sdn Bhd	-	16	-	16
- Wengcon Marketing Sdn Bhd	-	242	-	242
- Wengcon Equipment Sdn Bhd	18	-	18	-

(b) Transactions with subsidiary companies:

	Company 2013 RM'000	Company 2012 RM'000
Sub-contractor claims charged by Ekovest Construction Sdn Bhd	11,812	4,500
Hire of machineries and motor vehicles charged to		
- Ekovest Construction Sdn Bhd	18	24
- Kesturi	9	65
Rental of premises charged to		
- Ekovest Construction Sdn Bhd	236	216
Interest income from		
- Ekovest Construction Sdn Bhd	775	946
- Saujarena Bina Sdn Bhd	127	114
- Timur Terang Sdn Bhd	503	453
- Ekovest Faber Sdn Bhd	18	-

(c) Outstanding balances with companies in which certain Directors have financial interest:

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Amounts owing from				
- Wengcon Holdings Sdn Bhd	-	37	-	40
- Wengcon Equipment Sdn Bhd	138	-	138	124
- Wengcon Marketing Sdn Bhd	-	-	-	248
- Segi Tiara Sdn Bhd	483	759	258	279
- Danga Bay Sdn Bhd	11,192	7,582	320	293
- Teras Hijaujaya Sdn Bhd	44,794	50,913	-	-
- Aramijaya Sdn Bhd	154	430	133	397
- Knusford Bhd	18	-	18	-
- Iskandar Waterfront Sdn Bhd	23	-	23	-
Amounts owing to				
- Wengcon Holdings Sdn Bhd	(10)	-	-	-
- Wengcon Equipment Sdn Bhd	(91)	(27)	-	-
- Wengcon Marketing Sdn Bhd	(884)	(100)	(27)	-
- Segi Gemilang Sdn Bhd	(500)	-	-	-

32. KEY MANAGEMENT PERSONNEL COMPENSATION

Compensation paid to directors during the year comprises:

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Short term benefits				
- director's fees	230	140	180	140
- remuneration (salaries, allowances, bonuses and benefit-in-kind)	2,431	2,042	980	810
	2,661	2,182	1,160	950
Post employment benefits				
- defined contribution plan	283	238	118	97
	2,944	2,420	1,278	1,047

33. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Aggregate cost of property, plant and equipment acquired	7,631	21,395	1,761	2,081
Financed via hire purchase	(1,279)	(1,311)	(1,125)	(1,311)
	6,352	20,084	636	770

34. OPERATING LEASE ARRANGEMENTS

(a) The Group as lessor

The Group has entered into cancellable commercial property leases to earn rental income from its investment properties and certain properties included under property, plant and equipment. These leases have an average tenure of 1 to 3 years with an option to renew. The tenants are required to give 2 months' notice of the termination of these agreements. The Group does not have any contingent rental arrangements.

(b) The Group as lessee

The Group leases a number of office premises under cancellable operating leases for its operations. These leases have an average tenure of 1 to 3 years, with an option to renew. The Group is required to give 2 months' notice for the termination of the agreements.

The Group also leases certain machinery under cancellable operating lease agreements. The Group is required to give 2 month's notice for the termination of these agreements.

None of the above leases include any contingent rentals and there are no restrictions placed on the Group by entering into these leases.

35. CAPITAL COMMITMENT

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Capital expenditure in respect of the purchase of properties, approved and contracted for	1,182	4,507	-	-
Capital expenditure in respect of the purchase of properties, approved but not contracted for	-	1,665	-	-

36. CONTINGENT LIABILITIES

(a) Unsecured guarantees

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Guarantees given in favour of financial institutions for credit facilities granted to subsidiaries	-	-	60,884	42,832

(b) Litigation

A dispute has arisen between the Company and Shapadu Construction Sdn Bhd ("Shapadu") in respect of five (5) packages of sub-contract works under the New North Klang Straits Bypass Highway Project ("the Project"). The employer for the Project is Lebuhraya Shapadu Sdn Bhd ("Lebuhraya Shapadu"), the holding company of Shapadu.

On 1 August 2000, the Company issued a Notice to Arbitrate. An arbitrator was appointed and both the Company and Shapadu filed their respective claims and defence. Both the Company and Shapadu have closed their cases. The hearing for the arbitration has been adjourned to a date to be fixed.

The Company's claim against Shapadu are, inter alia, the following:

- the sum of RM29,558,721 on quantum meruit for its loss and damage due to the work carried out under the sub-contract; and/or alternatively
- the sum of RM7,459,356 being the value of the work done uncertified and the sum of RM8,217,961 being the amounts retained as retention monies in respect of work executed and value of goods and material delivered under the sub-contract.

Shapadu's counter claims against the Company are, inter alia, the following:

- the sum of RM33,010,000 allegedly being the liquidated ascertained damages ("LAD") due to Shapadu; or alternatively
- the sum of RM30,700,000 being LAD due to Lebuhraya Shapadu;
- the sum of RM2,008,869 as an indemnity for failure to carry-out and maintain the work;
- the sum of RM22,189,860 as an indemnity being the cost of completion;
- the sum of RM8,298,456 as indemnity being damages suffered by Lebuhraya Shapadu in completing the work; and
- the sum of RM2,006,101 as an indemnity being the loss and expense suffered by Lebuhraya Shapadu.

Since the Company has sub-contracted all the relevant work to a third party on a "back to back" basis, and the third party sub-contractor has agreed to indemnify and keep the Company indemnified against any losses or damages the Company may suffer in the event of Shapadu's counter claims being allowed by the court, the Company's Directors are of the opinion that the financial impact on the Group is minimal.

The Company has sought legal advice in respect of the counter claims made by Shapadu and the Company's solicitors are of the opinion that the Company has reasonable prospects of defending the counter claims.

37. SEGMENT ANALYSIS

The Group's operating segment and reportable segments are business units engaging in providing different products and services.

(a) Business segment

(i) Construction operations
(ii) Property development
(iii) Investment holding
(iv) Toll operations

Transactions between segments are eliminated on consolidation.

2013	Construction operations RM'000	Property development RM'000	Investment holding RM'000	Toll operations RM'000	Total RM'000
Revenue					
External sales	122,582	-	3,731	14,653	140,966
Result					
Segment result	40,770	-	29,783	(6,923)	63,630
Share of losses of associates					(3)
Unallocated finance costs					(7,652)
Unallocated income					10,770
Profit before tax					66,745
Tax expense					(16,710)
Profit for the year					50,035
Other information					
Segment assets	546,131	68,598	223,353	1,187,326	2,025,408
Segment liabilities	147,919	979	-	955,033	1,103,931
Capital expenditure	2,031	-	7,485	27	9,543
Depreciation and amortisation	1,703	-	232	2,178	4,113

2012	Construction operations RM'000	Investment holding RM'000	Total RM'000
Revenue			
External sales	204,994	3,954	208,948
Result			
Segment result	52,922	36,098	89,020
Unallocated share of losses of associates			(7)
Unallocated finance costs			(4,834)
Profit before tax			84,179
Tax expense			(11,535)
Profit for the year			72,644
Other information			
Segment assets	359,932	274,008	633,940
Segment liabilities	214,632	-	214,632
Current tax liabilities			8,594
			223,226
Capital expenditure	21,395	5,991	27,386
Depreciation	1,856	-	1,856

(b) Geographical segment

The operations of the Group are entirely carried out in Malaysia.

38. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

2013	Loans and receivables
Group	RM'000
Financial assets	
Receivables	140,760
Deposits, cash and bank balances	140,418
Total financial assets	281,178

	At amortised cost
	RM'000
Financial liabilities	
Payables	120,443
IMTN, Junior Bonds and RPS	634,958
Bank borrowings	135,561
Hire purchase liabilities	3,523
Total financial liabilities	894,485

2012	Loans and receivables	Held to maturity	Total
Group	RM'000	RM'000	RM'000
Financial assets			
Other investments	-	218,787	218,787
Receivables	130,324	-	130,324
Deposits, cash and bank balances	53,076	-	53,076
Total financial assets	183,400	218,787	402,187

	At amortised cost
	RM'000
Financial liabilities	
Payables	93,057
Bank borrowings	67,217
Hire purchase liabilities	4,057
Total financial liabilities	164,331

2013 **Company**	Loans and receivables RM'000	Held to maturity RM'000	Total RM'000
Financial assets			
Other investments	-	35,000	35,000
Receivables	138,552	-	138,552
Deposits, cash and bank balances	22,677	-	22,677
Total financial assets	161,229	35,000	196,229

	At amortised cost RM'000
Financial liabilities	
Payables	12,883
Bank borrowings	99,166
Hire purchase liabilities	2,177
Total financial liabilities	114,226

2012 **Company**	Loans and receivables RM'000	Held to maturity RM'000	Total RM'000
Financial assets			
Other investments	-	35,000	35,000
Receivables	218,215	-	218,215
Deposits, cash and bank balances	7,361	-	7,361
Total financial assets	225,576	35,000	260,576

	At amortised cost RM'000
Financial liabilities	
Payables	11,046
Bank borrowings	20,368
Hire purchase liabilities	2,458
Total financial liabilities	33,872

(b) Fair values

The carrying amounts of the financial assets and liabilities as at 30 June 2013 approximate or were at their fair values. The fair value of non-derivative financial instruments is calculated based on the discounted cash flow method.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities are exposed to a variety of financial risks, including interest rate risk, credit risk and liquidity risk. The Group's overall financial risk management objective and policies is to minimise potential adverse effects on the financial performance of the Group and to create value and maximises returns to its shareholders.

Financial risk management is carried out through risk reviews, internal control systems, benchmarking the industry's best performance, insurance programmes and adherence to financial risk management policies.

The Group has been financing its operations mainly from internally generated funds and bank borrowings. The Group does not find it necessary to enter into derivative transactions based on its current level of operations.

The management monitors the Group's financial position closely with an objective to minimize potential adverse effects on the financial performance of the Group. There have been no significant changes on the Group's exposure to financial risks from the previous year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end.

The Group's management reviews and agrees on policies managing each of the financial risks and they are summarised as follows:

(a) ***Interest rate risk***

The Group is exposed to interest rate risk which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

Exposure to interest rate risk also relates the Group's fixed deposits and interest-bearing borrowings.

Financial assets

Surplus funds are placed in fixed deposits with licensed banks and finance companies to earn interest income based on prevailing market rates. The Group manages its interest rate risks by placing such funds on short tenures of 12 months or less.

Financial liabilities

The Group's policy is to borrow principally on a floating rate basis but to retain a proportion of fixed rate borrowings. The objective of a mix of fixed and floating rate borrowings is to reduce the impact of an upward change in interest rates while enabling benefits to be enjoyed if interest rates fall. The mix between fixed and floating rate borrowings are monitored so as to ensure that the Group's financing cost is kept at the lowest possible. The Group does not generally hedge interest rate risks. Hedging of risk through the use of financial instruments may be adopted should its use result in significant cost savings. The Group has a policy to ensure that interest rates obtained are competitive.

It is the Group's policy not to trade in interest rate swap agreements.

A sensitivity analysis has been performed based on the outstanding floating rate bank borrowings of the Group as at 30 June 2013. If interest rate increase or decrease by 1% with all other variable held constant, the Group profit after tax would decrease or increase by RM856,000 (2012: RM672,000), as a result of lower or higher interest expense on these borrowings.

(b) ***Credit risk***

Credit risk arises from the possibility that a counter party may be unable to meet the terms of a contract in which the Group has a gain position.

The entire financial assets of the Group are exposed to credit risk except for bank balances and short term deposits which are placed with licensed banks in Malaysia.

The Group's exposure to credit risk is monitored on an ongoing basis. The Group has credit risk policies in place to manage credit risk exposure. The risk is managed through the application of the Group's credit management procedures which include regular monitoring and follow up procedures.

The Group carefully selects the projects in which it intends to participate. The selection is based on criteria that are reviewed periodically to take into account developments in the market. The Group also manages its credit risk exposure by
maintaining good business relationship with its customers. This approach has enabled the Group to manage its credit risk more effectively in addition to the above credit risk management procedures.

For other activities, the Group minimises and monitors its credit risk by dealing with credit worthy counterparties, setting credit limits on exposures, applying credit approval controls and obtaining collateral or security deposits where appropriate. Trade and financial receivables are monitored on an ongoing basis via group-wide management reporting procedures.

With regard to surplus cash, the Group seeks to invest its cash assets safely by depositing them with licensed financial institutions.

The aging analysis of receivables which are trade in nature is as follows:

	Group	
	2013	2012
	RM'000	RM'000
Not past due	14,683	32,217
1 to 30 days past due	1,599	1,501
31 to 60 days past due	-	1
61 to 120 days past due	12,234	34,434
More than 120 days past due	54,794	36,905
	83,310	105,058

	Company	
	2013	2012
	RM'000	RM'000
Not past due	83	1,446
1 to 30 days past due	36	1,500
31 to 60 days past due	-	-
61 to 120 days past due	7	6
More than 120 days past due	8,397	6,707
	8,523	9,659

Trade receivables past due at the end of the financial year, for which the Group has not recognised any allowance for doubtful debts, there has no significant change in their credit quality and the directors consider the amounts are recoverable.

At end of the financial year, the Group had no significant concentration of credit risk related to its financial assets, except for the exposure of credit risk on receivables from companies in which certain directors have financial interests amounting to RM56,798,000 (2012: RM74,381,000).

(c) ***Liquidity and cash flow risks***

The Group seeks to ensure all business units maintain optimum levels of liquidity at all times, sufficient for their operating, investing and financing activities.

Therefore, the policy seeks to ensure that each business unit, through efficient working capital management (i.e. inventory, accounts receivable and accounts payable management), must be able to convert its current assets into cash to meet all demands for payment as and when they fall due.

Besides maintaining an adequate current ratio, each business unit is required to submit cash flow projections to Group management on a monthly basis. Each unit must seek to ensure that projected cash inflows from operating and non-operating activities adequately cover funding requirements of operating and non-operating outflows. At a minimum, all projected net borrowings should be covered. Also, debt maturities are closely monitored to ensure that the Group is able to meet its obligations as they fall due.

Daily bank balances are monitored and any excess funds are invested in fixed deposits with licensed financial institutions at the most competitive interest rates obtainable.

The Group had net current liabilities of RM22 million (2012: RM14 million) at the end of the reporting period. The Directors consider that the Group has sufficient liquid assets generated from its operations to enable the Group to meet in full its financial obligations as they fall due in the foreseeable future; and the Group has standby credit facilities in excess of the shortfall at the end of the reporting period.

The table below summarises the maturity profile of the Group and the Company's financial liabilities based on the contractual undiscounted cash flows.

Group 2013	Carrying value RM'000	Less than 1 year RM'000	1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
Payables	120,443	102,795	18,729	-	121,524
Hire purchase liabilities	3,523	1,672	2,091	-	3,763
IMTN, Junior Bonds and RPS	634,958	93,935	-	834,625	928,560
Bank borrowings	135,561	84,560	60,123	2,764	147,447
	894,485	282,962	80,943	837,389	1,201,294

Company 2013	Carrying value RM'000	Less than 1 year RM'000	1 to 5 years RM'000	Total RM'000
Payables	12,883	4,620	8,284	12,904
Hire purchase liabilities	2,177	908	1,433	2,341
Bank borrowings	99,166	2,903	107,569	110,472
	114,226	8,431	117,286	125,717

Group 2012	Carrying value RM	Less than 1 year RM	1 to 5 years RM	Total RM
Payables	143,227	126,334	19,000	145,334
Hire purchase liabilities	4,057	1,759	2,632	4,391
Bank borrowings	67,217	65,870	6,307	72,177
	214,501	193,963	27,939	221,902

Company 2012	Carrying value RM	Less than 1 year RM'000	1 to 5 years RM'000	Total RM'000
Payables	15,089	6,847	8,284	15,131
Hire purchase liabilities	2,458	1,105	1,556	2,661
Bank borrowings	20,368	21,403	-	21,403
	37,915	29,355	9,840	39,195

40. CAPITAL MANAGEMENT

The primary objectives of the Group's capital management is to maintain an optimal capital in ensuring the availability of funds for the day to day operation as well as future business requirement and to maintain investors, creditors and market confidence.

The Board monitors and determines a prudent level of total debt to total equity ratio to optimise shareholders value and to ensure compliance with covenants and regulatory requirements.

There were no changes made in the objectives and approach to the capital management during the financial year.

	Group	
	2013	2012
	RM'000	RM'000
Share capital	305,517	178,794
Reserves	473,907	231,920
Total equity	779,424	410,714
IMTN, Junior Bonds and RPS	634,958	-
Bank borrowings	135,561	67,217
Hire purchase liabilities	3,523	4,057
Total debts	774,042	71,274
Debt-to-equity ratio (times)	0.99	0.17

Under the requirement to Bursa Malaysia Practice Note No. 17, the Company is required to maintain a consolidated shareholders' equity equal to or not less than the 25 percent of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

41. ACQUISITION OF SUBSIDIARIES

(i) On 29 January 2013, the Company acquired and subscribed for 60,000 ordinary shares of RM1 each (representing 60% of total issued and paid-up share capital) and 3,240,000 redeemable preference shares of RM0.01 each in Ekovest-MRCB JV Sdn Bhd for total consideration of RM3,300,000 satisfied by cash.

(ii) On 26 March 2013, the Company acquired and subscribed for 1,200,000 ordinary shares of RM1 each (representing 60% of total issued and paid-up share capital) in Ekovest-MRCB Construction Sdn Bhd for total consideration of RM1,200,000 satisfied by cash.

(iii) On 9 May 2013, the Company acquired 100% equity interest in Wira Kristal Sdn Bhd for consideration of RM325,680,000 satisfied through the issuance of 126,723,735 new ordinary shares of RM1 each in the Company at RM2.57 per share. Wira Kristal Sdn Bhd is the holding company of Nuzen Corporation Sdn Bhd and Kesturi.

The principal activities of the newly acquired subsidiaries are set out in note 6.

The effects of the acquisitions are as follows:

	RM'000
Issuance of 126,723,735 ordinary shares of RM1 each in the Company at RM2.57 per share	325,680
Cash	4,500
Considerations	330,180
Non-controlling interests	142,089
Less: Fair value of net assets acquired	(481,585)
Goodwill on acquisition	(9,316)
Cash and cash equivalents acquired	98,367
Consideration settled in cash	(4,500)
Net cash inflow arising from the acquisitions	93,867

If the acquisitions had occurred on 1 July 2012, management estimates that the consolidated revenue would have been RM226 million and the consolidated profit for the year would have been RM28 million. The management considers the estimation represents an approximate measure of performance of the Group on an annualised basis for reference only; and the management has assumed that the fair value of net assets of the subsidiaries on the dates of acquisition would have been the same should the acquisitions had completed on 1 July 2012.

Upon completion of the acquisitions, the newly acquired subsidiaries contributed revenue of RM15,862,000 and losses of RM8,095,000 to the Group.

Assets acquired and liabilities assumed on the dates of acquisition:

	RM'000
Concession assets	1,485,696
Property, plant and equipment	1,841
Cash and cash equivalents	98,367
IMTN	(539,435)
Redeemable preference shares	(293,720)
Junior Bonds	(45,614)
Deferred tax liabilities	(189,702)
Other net liabilities	(35,848)
Fair value of net assets acquired	481,585

42. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Directors on 14 October 2013.

SUPPLEMENTARY INFORMATION ON THE DISCLOSURE OF REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of the retained earnings of the Group and of the Company as at the reporting date, into realised and unrealised profits, pursuant to Bursa Malaysia Securities Berhad Listing Requirements, is as follows:

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Total retained earnings				
- realised	172,179	150,504	47,482	49,670
- unrealised	55,887	34,144	4,593	-
	228,066	184,648	52,075	49,670

The determination of realised and unrealised profits or losses is compiled based on Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

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

EKOVEST BERHAD
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 10 to 83 are drawn up:

(a) so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2013 and of their results and cash flows for the year then ended; and

(b) in accordance with Financial Reporting Standards and the provisions of the Companies Act 1965.

Signed on behalf of the Directors in accordance
with a Directors' resolution dated

14 OCT 2013

TAN SRI DATO' LIM KANG HOO
Director

LIM KENG CHENG
Director

EKOVEST BERHAD
(Incorporated in Malaysia)

STATUTORY DECLARATION

I, Lim Soo San, being the person primarily responsible for the financial management of Ekovest Berhad do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 10 to 83 are correct.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared at Kuala Lumpur in the Federal Territory)

this 14 OCT 2013)

LIM SOO SAN

Before me:

PESURUHJAYA SUMPAH
ARSHAD ABDULLAH
W 550
MALAYSIA

Commissioner for Oaths

NO. 102 & 104 1st FLOOR BANGUNAN
PERSATUAN YAP SELANGOR
JALAN TUN HS LEE
50000 KUALA LUMPUR

EKOVEST BERHAD
(Company No: 132493-D)

Condensed Consolidated Statement of Comprehensive Income
For the financial period ended 31 March 2014

	Current 3 months ended 31 March		Cumulative 9 months ended 31 March	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Continuing operations				
Revenue	63,433	25,891	182,950	79,847
Cost of sales	(30,101)	(15,914)	(97,002)	(46,579)
Gross profit	33,332	9,977	85,948	33,268
Other income	1,674	592	4,570	2,143
Administrative expenses	(7,663)	(7,123)	(21,124)	(13,713)
Results from operating activities	27,343	3,446	69,394	21,698
Interest income *	(2,997)	6,566	355	20,621
Interest expense	(23,159)	(1,462)	(64,840)	(4,093)
Depreciation	(467)	(516)	(1,574)	(1,386)
Profit / (loss) before tax	720	8,034	3,335	36,840
Taxation	382	502	(685)	(5,657)
Profit / (loss) for the financial period	1,102	8,536	2,650	31,183
Other comprehensive income / (loss) net of tax	-	-	-	-
Total comprehensive income / (loss) for the financial period	1,102	8,536	2,650	31,183
Profit for the financial period attributable to :-				
- Owners of the parent	3,504	8,637	10,086	31,284
- Non-controlling interest	(2,402)	(101)	(7,436)	(101)
Profit for the financial period	1,102	8,536	2,650	31,183
Total comprehensive income / (loss) for the financial period attributable to :-				
- Owners of the parent	3,504	8,637	10,086	31,284
- Non-controlling interest	(2,402)	(101)	(7,436)	(101)
Total comprehensive income / (loss) for the financial period	1,102	8,536	2,650	31,183
Earnings per share attributable to equity holders of the parent				
- Basic (sen)	1.15	4.83	3.30	17.50
- Diluted (sen)	1.15	4.83	3.30	17.50

Remark:
* Interest income in the preceding quarter has been capitalised.

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)

EKOVEST BERHAD

(Company No: 132493-D)

Condensed Consolidated Statement of Financial Position
As At 31 March 2014

	As At 31 March 2014 (Unaudited) RM'000	As At 30 June 2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	111,698	110,956
Investment properties	57,172	57,262
Land held for property development	135,378	85,039
Concession intangible assets	1,526,582	1,483,605
Deferred tax assets	6,227	6,227
	1,837,057	1,743,089
Current assets		
Gross amount due from customers	28,798	26,285
Trade and other receivables	151,322	114,475
Current tax assets	8,479	1,141
Fixed and time deposits	1,341,301	125,404
Cash and bank balances	27,095	15,014
	1,556,995	282,319
TOTAL ASSETS	3,394,052	2,025,408
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	305,517	305,517
Reserves	480,938	473,907
Total capital and reserves attrubutable to owners of the Company	786,455	779,424
Non-controlling interests	134,617	142,053
Total equity	921,072	921,477
Non-current liabilities		
Hire purchase liabilities	4,810	1,970
Bank term loans	129,946	56,599
Islamic medium term notes	1,663,473	531,159
Series A redeemable preference shares	98,376	90,115
Redeemable secured junior bonds	52,593	13,684
Provision for heavy repairs	4,049	3,587
Deferred tax liabilities	192,496	192,496
	2,145,743	889,610
Current liabilities		
Gross amount due to customers	7,960	13,018
Trade and other payables	204,674	120,443
Hire purchase liabilities	2,203	1,553
Overdraft and short term borrowings	111,686	78,962
Current tax liabilities	714	345
	327,237	214,321
Total liabilities	2,472,980	1,103,931
TOTAL EQUITY AND LIABILITIES	3,394,052	2,025,408

Interest income in the preceding quarter has been capitalised.

Net assets per share attributable to ordinary owners of the company (RM)	2.5742	2.5512

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)

EKOVEST BERHAD
(Company No: 132493-D)

Condensed Consolidated Statement of Changes in Equity
For the financial period ended 31 December 2013

	Attributable to Equity Holders of the parent					Non-controlling Interest	Total Equity
	Non-distributable			Distributable			
	Share capital RM'000	Share premium RM'000	Asset revaluation reserve RM'000	Retained Earnings RM'000	Sub-total RM'000	RM'000	RM'000
At 1 July 2013	305,517	245,599	242	228,066	779,424	142,053	921,477
Total comprehensive income for the period	-	-	-	10,086	10,086	(7,436)	2,650
Dividend paid	-	-	-	(3,055)	(3,055)	-	(3,055)
At 31 March 2014	305,517	245,599	242	235,097	786,455	134,617	921,072
At 1 July 2012	178,794	46,978	294	184,648	410,714	-	410,714
Acquisition of new subsidiaries	-	-	-	-	-	1,829	1,829
Total comprehensive income for the period	-	-	-	31,284	31,284	(101)	31,183
Dividend paid	-	-	-	(6,705)	(6,705)	-	(6,705)
At 31 March 2013	178,794	46,978	294	209,227	435,293	1,728	437,021

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)

EKOVEST BERHAD
(Company No: 132493-D)

Condensed Consolidated Statement of Cash Flows
For The Financial Period Ended 31 March 2014

	For The Financial Period Ended	
	31 March 2014 RM'000	31 March 2013 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	3,335	36,840
Adjustment for:		
Non-cash items	18,359	1,042
Non-operating items	(150)	(47)
Net interest (income)/expense	65,488	(16,366)
Operating profit before working capital changes	87,032	21,469
Changes in receivables	(21,528)	22,486
Changes in payables	61,584	(46,525)
Cash generated from operating activities	127,090	(2,570)
Interest received	355	4,417
Interest paid	(57,406)	(4,041)
Tax paid	(7,898)	(14,777)
Net cash from operating activities	62,141	(16,971)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	2,496	(496)
Purchase of investment properties	(715)	(7,386)
Development cost incurred on land held for property development	(50,339)	(33,418)
Acquisition of subsidiaries, net of cash acquired	-	6,050
Proceeds from disposal of property, plant and equipment	91	239
Proceeds from disposal of investment property	870	-
Proceeds from disposal of associate	-	726
Withdrawal/(Placement) of fixed deposits	(1,215,898)	(11,316)
Net cash used in investing activities	(1,263,495)	(45,601)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from issuance of share capital	-	-
Term loan raise	73,776	52,725
Proceeds from issuance of new sukuk	1,163,782	-
Drawdown of revolving credit	29,000	15,000
Repayment of bank borrowings	(398)	(1,488)
Payment for concession intangible assets	(51,432)	-
Repayment to associate	-	(726)
Repayment of hire purchase liabilities	(1,699)	(1,401)
Repayment of hire purchase term charges	(231)	(162)
Dividend paid	(3,055)	(6,705)
Net cash (used in)/from financing activities	1,209,743	57,243
Interest income in the preceding quarter has been capitalised.		
Net changes in cash and cash equivalents	8,389	(5,329)
Cash and cash equivalents at the beginning of the financial period	(33,604)	(43,537)
Cash and cash equivalents at end of financial period	(25,215)	(48,866)

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013)

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Part A – Explanatory Notes Pursuant to Financial Reporting Standards ("FRS") 134

Notes to the Interim Financial Report (3rd Quarter - 31 March 2014)

A1 Basis of Preparation

The condensed interim financial statements are unaudited and have been prepared in compliance with the Financial Reporting Standards ('FRS') 134 : Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. The condensed interim financial statements should be read in conjunction with the Group's annual financial statements for the year ended 30 June 2013.

1.1 Changes in Accounting Policies

The significant accounting policies, methods of computation and basis of consolidation adopted are consistent with those of the most recent audited financial statements for the year ended 30 June 2013 except for the adoption of new FRSs, amendments to FRSs and IC interpretations ("IC") which are relevant to its operations and effective for the financial periods beginning on or after 1 January 2012 as set out below :-

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012

- FRS 124, *Related Party Disclosures* (revised)
- Amendments to FRS 7, *Disclosures – Transfers of Financial Assets*
- Amendments to FRS 101, *Presentation of Items of Other Comprehensive Income*
- Amendments to FRS 112, *Deferred Tax – Recovery of Underlying Assets*

The adoption of the new FRSs, Interpretations and amendments have no material impact to the Group consolidated financial statements of the current and prior periods financial statements upon its first adoption.

1.2 Malaysian Financial Reporting Standards ("MFRS")

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

The MFRS is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venture (herein referred to as 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the MFRS. On 7 August 2013, the MASB announced that Transitioning Entities would be required to adopt the MFRS for annual periods beginning on or after 1 January 2015.

The Group falls within the definition of Transitioning Entities and has opted to defer adoption of the New MFRS to 1 July 2015.

A2 Audit Report

The preceding annual financial statements of the group were not qualified.

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A3 Seasonal or Cyclical Factors

Although seasonal or cyclical changes have minimal impact on the operations of the Group, the business is nevertheless susceptible to the vagaries of the construction industry.

A4 Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the period under review.

A5 Changes in the Estimates of Amount Reported Previously With Material Effect in Current Interim Period

Not applicable.

A6 Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review save and except as follows:

Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd ("**Kesturi**"), our 70% owned subsidiary, had on 2 December 2013 issued RM2,300 million in nominal value Islamic medium term notes ("**Sukuk**") and RM180 million redeemable secured junior bonds ("**Junior Bonds**"). The Sukuk and Junior Bonds have been accorded ratings of AA_{-IS} and A- with stable outlook, respectively by Malaysian Rating Corporation Berhad.

The aggregate proceeds from the issuance of the Sukuk and Junior Bonds will be utilised for, inter-alia the following:-

(i) For redemption of Kesturi's existing RM820.0 million nominal value Islamic medium term notes ("**Existing Sukuk**") and existing RM50.0 million nominal value redeemable secured junior bonds;
(ii) To fund the initial deposit in the finance service reserve account maintained under the Sukuk programme;
(iii) For payment of ancillary fees, costs, deposits and expenses in relation to the redemption of the Existing Sukuk and establishment of the Sukuk programme and Junior Bonds; and
(iv) To part-finance the construction costs, development costs, financing costs, fees and expenses in relation to DUKE Phase-2 pursuant to the supplemental concession agreement dated 3 December 2012 entered into between Kesturi and the Government of Malaysia.

A7 Dividend

The Shareholders have on 27 December 2013 approved the payment of a first and final single tier dividend of 1% amounting to RM3,055,175 for the financial year ended 30 June 2013. The said dividend was paid on 28 February 2014 to members whose name appear in the Record of Depositors on 29 January 2014.

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Part A – Explanatory Notes Pursuant to Financial Reporting Standards ("FRS") 134

A8 Segmental Reporting

Segmental information is presented in respect of the Group's business segment. Transactions between segments were entered into in the normal course of business and were established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

9 Months Ended 31 March 2014

	Construction RM '000	Investment holding RM '000	Toll operations RM '000	Total RM '000
Revenue	114,489	1,922	66,539	182,950
Segment results	24,481	1,880	41,129	67,490
Finance costs	-	(3,612)	(75,006)	(78,618)
Profit/(loss) before tax	24,481	(1,732)	(33,877)	(11,128)
Consolidation adjustment				13,778
				2,650

9 Months Ended 31 March 2013

	Construction RM '000	Investment holding RM '000	Total RM '000
Revenue	76,898	2,949	79,847
Segment results	17,480	23,453	40,933
Finance costs	-	(4,093)	(4,093)
Profit before tax	17,480	19,360	36,840

A9 Revaluation of Property, Plant and Equipment

There were no amendments in the valuation amount of revalued assets brought forward to the current quarter ended compared to most recent annual financial statements.

A10 Material Subsequent Event

Please refer to <u>Note B7</u> for the material event subsequent to the quarter and period ended 31 March 2014.

A11 Changes in Composition of the Group

During the period ended 31 March 2014, there were no changes in the composition of the Company or the Group for the quarter under review.

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Part A – Explanatory Notes Pursuant to Financial Reporting Standards ("FRS") 134

A12 Contingent Liabilities

Contingent liabilities of the Group as at 31 March 2014 are as follows:-

	RM '000
Corporate guarantees given to licensed financial institutions for credit facilities granted to subsidiaries	33,268
Deed of undertaking pursuant to the RM2,300 million (in nominal value) Islamic medium terms notes issued by Kesturi	42,000
	75,268

A13 Capital Commitments

Capital commitments of the Group as at 31 March 2014 are as follows -

	RM '000
Approved capital expenditure in respect of the purchase of properties Contracted but not provided for	768

A14 Significant Related Party Transactions

The Group has no significant related party transactions with companies in which certain directors of the Company have interests for period ended 31 March 2014.

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Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

Notes to the Interim Financial Report (3rd Quarter - 31 March 2014)

B1 Review of Performance for the Year

For the period ended 31 March 2014, the Group recorded a revenue of RM182.950 million with a profit before tax of RM3.335 million as compared to a revenue of RM79.847 million and a profit before tax of RM36.840 million for the preceding year corresponding period. The higher revenue for the reporting period was mainly due the consolidation of Wira Kristal Group of Companies, the acquisition of which was completed in May 2013. However, the decrease in consolidated profit before tax was mainly due to the loss arising from these new subsidiaries which carries high finance cost.

B2 Review of Performance for the Quarter

The Group reported a profit before taxation of RM0.720 million from a revenue of RM63.433 million as compared to the previous quarter of RM3.207 million profit before tax from a revenue of RM59.511 million. The decrease in profit before tax for the reporting quarter was mainly due to a lower recognition of interest income from the toll operations as compared to the previous quarter as a partial of the interest income was capitalized during the construction of the Duke Phase-II Highway.

B3 Current Year Prospects

For the current financial year, the Group expects the construction of the DUKE Phase-II and the on-going two (2) contracts for the proposed widening of PLUS Highway under Package B & D to contribute to the Group's construction turnover and profitability. Further, the commencement of property development activities is also expected to increase the Group's turnover and profitability in the current financial year.

Barring any unforeseen circumstances, the Directors are of the opinion that the Group's performance for the current financial year would remain satisfactory.

B4 Forecast/Profit Guarantee

There is no profit guarantee or financial forecast for the current quarter and for the year.

B5 Taxation

	GROUP	
	CURRENT QUARTER ENDED 31 MARCH 2014 RM '000	9 MONTHS ENDED 31 MARCH 2014 RM '000
Tax expense		
- Current period provision	(353)	714
- Under/(Over) provision in respect of prior year	(29)	(29)
	(382)	685

The effective tax rate for the period ended 31 March 2014 is lower than the statutory tax rate mainly due to over provision of tax expense in prior year.

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B6 Profit on Sale of Investment and/or Properties

There were no sale of investment or properties during the quarter and the year ended 31 March 2014.

B7 Corporate Exercises

On behalf of the Board of Directors of Ekovest ("Board"), AmInvestment Bank Berhad ("**AmInvestment Bank**"), had on 29 January 2014 announced that the Company proposes to undertake the following:-

(i) proposed acquisition by:-

(a) Wira Kristal Sdn Bhd ("**Wira Kristal**"), a wholly-owned subsidiary of the Company, of 1,500,000 ordinary shares of RM1.00 each in Nuzen Corporation Sdn Bhd ("**Nuzen**") and 13,500,000 redeemable preference shares of RM1.00 each in NUzen representing the remaining 30% equity interest in Nuzen not held by Wira Kristal;

(b) Ekovest Construction Sdn Bhd ("**ECSB**"), a wholly-owned subsidiary of the Company, of 585 series a redeemable preference shares of RM1.00 each in Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd ("**Kesturi**"); and

(c) Ekovest of RM54,000,000 nominal value redeemable secured junior bonds in Kesturi ("**Kesturi Junior Bonds**"),

from Malaysian Resources Corporation Berhad ("**MRCB**") for a total cash purchase consideration of RM228.0 million ("**Proposed Acquisition**");

(ii) proposed share split involving the subdivision of every one (1) existing ordinary share of RM1.00 each in Ekovest held by shareholders of the Company on an entitlement date to be determined later into two (2) ordinary shares of RM0.50 each in Ekovest ("**Subdivided Shares**") ("**Proposed Share Split**");

(iii) proposed renounceable rights issue of 244,413,960 new Ekovest shares ("**Rights Shares**") together with 122,206,980 free detachable warrants ("**Warrants**") at an issue price to be determined later on the basis of two (2) Rights Shares together with one (1) free Warrant for every five (5) existing Subdivided Shares held after the Proposed Share Split as at an entitlement date to be determined later ("**Proposed Rights Issue With Warrants**");

(iv) proposed establishment of an employees' share option scheme ("**ESOS**") of up to fifteen percent (15%) of the issued and paid-up share capital of Ekovest ("**Proposed ESOS**"); and

(v) proposed amendments to the company's memorandum and articles of association ("**M&A**") to facilitate the Proposed Share Split ("**Proposed Amendments to M&A**").

(collectively referred to as the "**Proposals**").

On behalf of the Board, AmInvestment Bank had announced on 28 March 2014 that Bursa Malaysia Securities Berhad ("**Bursa Securities**") had vide its letter dated 27 March 2014, resolved to approve the following:-

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(i) Proposed Share Split;

(ii) Listing of such number of new ordinary shares in Ekovest representing up to 15% of the issued and paid-up share capital of the Company (excluding treasury shares) pursuant to the Proposed ESOS;

(iii) In the event the Proposed Share Split takes place before the Proposed Rights Issue With Warrants is implemented:-

(a) Up to 244,413,960 new ordinary shares of RM0.50 each in Ekovest to be issued pursuant to the Proposed Rights Issue With Warrants;

(b) Admission to the Official List and the listing and quotation of up to 122,206,980 Warrants to be issued pursuant to the Proposed Rights Issue With Warrants; and

(c) Listing of up to 122,206,980 new ordinary shares of RM0.50 each in Ekovest to be issued pursuant to exercise of Warrants.

(iv) In the event the Proposed Share Split is not implemented:-

(a) Up to 122,206,980 new ordinary shares of RM1.00 each in Ekovest to be issued pursuant to the Proposed Rights Issue With Warrants;

(b) Admission to the Official List and the listing and quotation of up to 61,103,490 Warrants to be issued pursuant to the Proposed Rights Issue With Warrants; and

(c) Listing of up to 61,103,490 new ordinary shares of RM1.00 each in Ekovest to be issued pursuant to exercise of Warrants.

The approval granted by Bursa Securities is subject to, *inter-alia*, the following conditions:-

(i) Ekovest and AmInvestment Bank must fully comply with the relevant provisions under the Main Market Listing Requirements of Bursa Securities ("**LR**") pertaining to implementation of the Proposals;

(ii) Ekovest and AmInvestment Bank to inform Bursa Securities upon completion of the Proposals;

(iii) Ekovest to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposals is completed;

(iv) Ekovest is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to exercise of Warrants and ESOS as at the end of each quarter together with a detailed computation of listing fees payable;

(v) Ekovest and AmInvestment Bank are required to make the relevant announcements pursuant to Paragraph 13.10(2) of the LR pursuant to the Proposed Share Split;

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(vi) AmInvestment Bank is required to submit a confirmation to Bursa Securities of full compliance of the Proposed ESOS pursuant to Paragraph 6.43(1) of the LR and stating the effective date of implementation; and

(vii) To provide Bursa Securities with a certified true copy of the resolution passed by shareholders at the extraordinary general meeting for the Proposals.

On behalf of the Board, AmInvestment Bank had on 5 May 2014 announced that the Government of Malaysia had vide its letter dated 5 May 2014, approved the change in the ultimate shareholders and the shareholding structure of Kesturi involving the disposal of the 30% stake held by MRCB to Ekovest Group, pursuant to the Proposed Acquisition.

The shareholders of Ekovest had on 8 May 2014 approved the resolutions set out in the Notice of EGM dated 11 April 2014 pertaining to the Proposals.

On behalf of the Board, AmInvestment Bank had on 16 May 2014 announced that the Board has resolved to fix the following prices pursuant to the Rights Issue With Warrants:-

(i) the issue price of the Rights Shares at RM1.00 per Rights Share; and

(ii) the exercise price of the Warrants at RM1.35 per Warrant.

The announcements on the Share Split Entitlement Date and Rights Issue Entitlement Date have also been made on 16 May 2014.

On behalf of the Board, AmInvestment Bank had on 22 May 2014 announced that all conditions precedent stipulated in the SSA entered into in relation to the Acquisition have been fulfilled (wherein it was mutually agreed by the Vendor and Purchasers that the completion by Ekovest of the Rights Issue With Warrants exercise will not be required) and accordingly, the Acquisition is now deemed unconditional.

B8 Group Borrowings

	GROUP	
AMOUNT REPAYABLE WITHIN ONE YEAR	**CURRENT QUARTER ENDED 31 MARCH 2014 RM '000**	**PRECEDING YEAR ENDED 30 JUNE 2013 RM '000**
Bank overdraft-secured	33,599	29,452
-unsecured	18,711	19,166
Bank Term Loans-secured	376	344
Revolving credit-unsecured	59,000	30,000
	111,686	78,962

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	GROUP	
AMOUNT REPAYABLE AFTER ONE YEAR	**CURRENT QUARTER ENDED 31 MARCH 2014 RM '000**	**PRECEDING YEAR ENDED 30 JUNE 2013 RM '000**
Bank Term Loans-secured	129,946	56,599
Islamic medium term notes	1,663,473	531,159
	1,793,419	587,758

B9 Material Litigation

Save as disclosed below as at 31 March 2014, neither the Company nor its subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and the Board are not aware and do not have any knowledge of any proceedings, pending or threatened against the Group or any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Company and its subsidiaries :

A dispute arose between our Company ("**Plaintiff**") and Shapadu Construction Sdn Bhd ("**Shapadu**") or ("**Defendant**") in respect of five (5) packages of sub-contract work under the New North Klang Straits Bypass Highway Project ("**Project**"). The holding company of the Defendant i.e. Lebuhraya Shapadu Sdn Bhd ("**Lebuhraya Shapadu**"), is the employer of the Project.

Our claims against the Defendant are, inter alia, the following:

(i) the sum of RM29,558,720.93 on quantum meruit for loss and damage under the sub-contract; and/or alternatively; and

(ii) the sum of RM7,459,356.15 being the uncertified value of work done and the sum of RM8,217,960.68 being retention monies in respect of work executed and the value of goods and material delivered under the sub-contract.

The Defendant's counter claims against our Company are, *inter alia*, the following:

(i) the sum of RM33,010,000.00 allegedly being the liquidated ascertained damages ("**LAD**") due to the Defendant;

(ii) the sum of RM30,700,000.00 being the LAD due to Lebuhraya Shapadu;

(iii) the sum of RM2,008,868.93 as an indemnity for failure to carry-out and maintain the work;

(iv) the sum of RM22,189,859.75 as an indemnity for the cost of completion;

(v) the sum of RM8,298,455.65 as indemnity for damages suffered by Lebuhraya Shapadu in completing the work; and

(iv) the sum of RM2,006,101.39 as an indemnity for the loss and expense suffered by Lebuhraya Shapadu.

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On 1 August 2000, we issued a notice to arbitrate and the hearing of the arbitration commenced on 14 August 2006. Both the Plaintiff and Defendant have closed their cases and the hearing for the arbitration was adjourned to a date to be fixed. The arbitration proceeding is kept in abeyance pending settlement of the dispute.. As at the LPD, the parties have yet to finalise a settlement proposal.

Our Directors are of the opinion that the financial impact on our Group is minimal since we had sub-contracted all the relevant work to a third party on a "back-to-back" basis, and the third party sub-contractor has agreed to indemnify us against any losses or damages that we may suffer in the event Shapadu's counter claim is allowed by the court.

Further, we had sought legal advice in respect of the counter claim made by Shapadu and our solicitors are of the opinion that we have a reasonable prospect of defending the claim particularly when the employer has not taken action against the Defendant since most of the claims are on indemnity basis. On that premises, this dispute with Shapadu is not envisaged to have any material adverse impact on the financial position of our Group.

B10 Dividend
No interim dividend has been declared for the quarter ended 31 March 2014.

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Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B11 Earnings Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	9 months to	9 months to
	31 March 2014 RM '000	31 March 2013 RM '000	31 March 2014 RM '000	31 March 2013 RM '000
(a) Basic earnings per share				
Net profit attributable to ordinary shareholders	3,504	8,637	10,086	31,284
Weighted average number of ordinary share issue ('000)	305,517	178,794	305,517	178,794
Basic earnings per ordinary share (sen)	1.15	4.83	3.30	17.50
(b) Diluted earnings per ordinary Share (sen)	N/A	N/A	N/A	N/A

B12 Realised and Unrealised Retained Earnings

The retained earnings as at 31 March 2014 are analysed as follows:

	As at 31 MARCH 2014 RM '000	As at 30 JUNE 2013 RM '000
Realised	179,210	172,179
Unrealised	55,887	55,887
Total retained earnings	235,097	228,066