WIDETECH

(MALAYSIA) BERHAD (113939-U)

ANNUAL REPORT 2013

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Lim Kim Huat
Executive Chairman

Kong Sin Seng
Chief Executive Officer

Tan Sri Dato' Cheng Joo Teik
Executive Director

Datuk Chu Sui Kiong
Executive Director

Dato' Tan Ting Wong
Executive Director

Loh Suan Phang
Executive Director

Datuk Ng Bee Ken
Independent Non-Executive Director

Dato' Zakaria Bin Mohammed
Independent Non-Executive Director

Lee Yoke Shue
Independent Non-Executive Director

AUDIT COMMITTEE

Datuk Ng Bee Ken
Chairman of Audit Committee,
Independent Non-Executive Director

Dato' Zakaria Bin Mohammed
Independent Non-Executive Director

Lee Yoke Shue
Independent Non-Executive Director

SECRETARIES

Pang Chia Tyng (MAICSA 7034545)
Anna Lee Ai Leng (LS 0009729)

REGISTERED OFFICE

10th Floor Menara Hap Seng
No. 1 & 3 Jalan P. Ramlee
50250 Kuala Lumpur
Tel No : 603.2382.4288
Fax No : 603.2382.4170 / 4171 / 4172

SHARE REGISTRAR

Mega Corporate Services Sdn Bhd
Level 15-2 Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel No : 603.2692.4271
Fax No : 603.2732.5388 / 5399

AUDITORS

SJ Grant Thornton
Chartered Accountants
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

PRINCIPAL BANKERS

CIMB Bank Berhad
Maybank Berhad
Public Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : WIDETEC
Stock Code : 7692

NOTICE IS HEREBY GIVEN that the Twenty-Ninth Annual General Meeting of the Company will be held at Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Monday, 30 September 2013 at 2.30 p.m. for the following purposes:

AGENDA

1. To table the Audited Financial Statements for the financial year ended 31 March 2013 together with the Reports of the Directors and Auditors thereon. **Please refer to Note A**

2. To re-elect the following Directors retiring by rotation pursuant to Article 124 of the Articles of Association of the Company:

   (i) Mr Kong Sin Seng **Ordinary Resolution 1**
   (ii) Tan Sri Dato' Cheng Joo Teik **Ordinary Resolution 2**
   (iii) Dato' Tan Ting Wong **Ordinary Resolution 3**

3. To re-appoint Dato' Zakaria Bin Mohammed, the Director who is retiring pursuant to Section 129(6) of the Companies Act, 1965, and being eligible, has offered himself for re-appointment. **Ordinary Resolution 4**

4. To re-appoint Messrs SJ Grant Thornton as Auditors of the Company and to authorise the Directors to fix their remuneration **Ordinary Resolution 5**

SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolution:

5. **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965** **Ordinary Resolution 6**

   "THAT pursuant to Section 132D of the Companies Act, 1965 ("the Act"), the Directors be and are hereby empowered to issue shares in the Company, at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued does not exceed ten per centum (10%) of the issued share capital of the Company at the time of issue and THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

BY ORDER OF THE BOARD

ANNA LEE AI LENG (LS 0009729)
PANG CHIA TYNG (MAICSA 7034545)

COMPANY SECRETARIES

6 September 2013
Kuala Lumpur

NOTES:

A. This Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders and hence, is not put forward for voting.

1. A member entitled to attend and vote at the meeting may appoint another person as his proxy to attend and vote in his stead. A proxy may but need not be a member of the Company. If the proxy is not a member, he need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies. However, his attendance at the general meeting shall automatically revoke the proxy's authority.

2. A member shall be entitled to appoint more than one proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportions of his holdings to be represented by each proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.

3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

4. If no name is inserted in the space provided for the name of your proxy, the Chairman of the meeting will act as your proxy.

5. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 10th Floor, Menara Hap Seng, No. 1 & 3 Jalan P. Ramlee, 50250 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

6. If the appointor is a corporation, the instrument appointing a proxy must be executed under its Common Seal or under the hand of its attorney.

7. The Date of Record of Depositors for the purpose of determining Members' entitlement to attend, vote and speak at the Meeting is 19 September 2013.

8. Explanatory Notes on Special Business:

   Ordinary Resolution 6
   Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965

   The proposed Ordinary Resolution 6, if passed, will give flexibility to the Directors of the Company to issue shares up to a maximum of ten per centum (10%) of the issued share capital of the Company at the time of such issuance of shares and for such purposes as they consider would be in the best interest of the Company without having to convene separate general meetings. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

   This is the renewal of the mandate obtained from the shareholders at the last Annual General Meeting ("the previous mandate"). The previous mandate was not utilised and no proceeds were raised. The purpose of this general mandate sought will provide flexibility to the Company for any possible fund raising activities but not limited for futher placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of borrowings and/or acquisitions.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

There is no person seeking election as Director of the Company at this Twenty-Ninth Annual General Meeting.

On behalf of the Board of Directors, I am pleased to present the Annual Report of Widetech (Malaysia) Berhad for the financial year ended 31 March 2013.

Financial Performance

For the financial year under review, the Group revenue increased by RM0.489 million to RM9.432 million, whilst pre-tax profit increased to RM2.297 million from a pre-tax loss of RM0.970 million in FY 2012.

A noteworthy improvement was recorded from better performance of our associated company which operates a casino in Kathmandu, Nepal. Our share of loss in our associated company was significantly reduced to RM0.765 million in FY 2013, as compared to a share of loss of RM3.135 million in FY 2012.

Our gaming operations in Vietnam and Cambodia continued to improve with higher revenue and profitability. I am pleased to report that this division achieved a higher revenue of RM2.734 million and a pre-tax profit of RM3.477 million against a revenue of RM1.918 million and a pre-tax profit of RM1.824 million in FY 2012. The increase in profit was partly attributable to a gain on disposal of a subsidiary's freehold land of RM0.700 million.

Against a backdrop of continued competitive pressure, our manufacturing division posted a lower revenue of RM4.132 million and a pre-tax profit of RM0.533 million, as compared to a revenue of RM4.366 million and a pre-tax profit of RM0.703 million in FY 2012.

As expected, contributions from our consumer goods financing business continued to decline due to repayments and early settlements of customers' loans. This division registered a revenue of RM0.618 million and a pre-tax profit of RM0.042 million, as compared to a revenue of RM0.980 million and a pre-tax loss of RM0.172 million in FY 2012.

Our hotel in Laos continued to make good progress in FY 2013 by posting a higher revenue of RM1.588 million and a lower pre-tax loss of RM0.074 million, as compared to a revenue of RM1.319 million and a pre-tax loss of RM0.745 million in FY 2012. We will strive to continue to upkeep and maintain the quality of our hotel with a refurbishment plan for the coming year.

Brief Description of the Industry Trend and Development

We expected another year of challenges with continued volatility in the global economic environment.

The Board will continue cautiously to seek and explore new and potential viable investment opportunities to further enhance the earnings of the Group.

Prospects and Outlook

Looking ahead, the consumer products business will continue to contribute to the earnings of the Group albeit on a reducing scale due to a declining loan base.

The gaming operations in Vietnam and Cambodia are expected to continue to contribute positively to the long term earnings of the Group. The gaming division will put in its best effort to further improve this business with promotion campaigns and effective marketing strategies.

The Nepal government has recently introduced new gaming regulations governing casinos. The Management is presently monitoring and evaluating the situation. The Management will take the necessary steps to mitigate any financial impact on our investment in Nepal.

The manufacturing business foresees a continued competitive operating environment. This division will continue in its effort to optimize its cost efficiencies and resources to deliver satisfactory operational performance.

Corporate Social Responsibility

The Group remains committed towards its CSR.

Continuous efforts are in place in providing a conducive, safe and healthy work place to safeguard the welfare of our staff as we recognize the importance of our staff and their contributions to our success.

Our manufacturing division is fully ISO 14001 compliant and adopts environmental best practices to mitigate any possible adverse effects to the environments.

Our staff continues to be actively engaged in paperless office practices, recycling and energy conservation exercises in the Group. Our hotel in Laos joined millions across the world in the symbolic switch-off of lights annually during Earth Hour.

The Group had participated in charitable and social projects by way of donations to help the less fortunate.

Dividend

The Board does not recommend any dividend for the financial year ended 31 March 2013.

Acknowledgements

On behalf of the Board, I would like to thank my fellow Board Members, the Management and staff for their unwavering dedication, loyalty and invaluable contribution to the Group over the years.

My sincere appreciation to our valued customers, suppliers, business associates, bankers and most importantly our esteemed shareholders for their undivided support and confidence extended to the Group.

Dato' Lim Kim Huat
Executive Chairman
Kuala Lumpur

Y BHG DATO' LIM KIM HUAT
Malaysian, Aged 53
Executive Chairman

Dato' Lim Kim Huat was appointed to the Board on 26 February 2004 as Non-Independent Non-Executive Director and subsequently, assumed the position of an Executive Chairman on 25 July 2006. He is a member of the Remuneration Committee.

Dato' Lim is a certified public accountant by profession and is a member of The Malaysian Institute of Certified Public Accountants. He started his career with PricewaterhouseCoopers in Kuala Lumpur in 1980 before moving on to the commercial sector. Through his involvement as senior management personnel with various companies in Malaysia, Dato' Lim has extensive exposures and experience in diverse industries such as manufacturing, trading, property development, leisure & entertainment and food services.

Dato' Lim is currently the Managing Director of AbleGroup Berhad.

KONG SIN SENG
Malaysian, Aged 57
Chief Executive Officer

Mr Kong Sin Seng was appointed to the Board on 27 September 2004. He holds a Bachelor of Accounting (Hons) from University of Kent, England. He is a member of the Institute of Chartered Accountants in England & Wales. He assumed the position of Chief Executive Officer of the Company on 9 February 2007.

Mr Kong started his career as an articled clerk with Reeves & Neylan, Chartered Accountants in the United Kingdom from 1978 to 1982 and subsequently joined PricewaterhouseCoopers in 1983. He then joined Promet Berhad as Group Financial Executive in 1983 and United Detergent Industries as Financial Controller in 1986. In 1987, he was attached to Promet Petroleum Ltd in Jakarta and subsequently with the Dharmala Group, Indonesia in 1989 as Group Financial Controller. He subsequently became the Managing Director of Heavy Equipment Division and the Director of Financial Services Division. He joined FACB Berhad as the Chief Financial Officer in 1995 and in 1997 was the PA to the Chief Executive Officer of MBF Capital Berhad and as Senior Vice President in MBF Finance Berhad. Since 2000, he became the Chief Executive Officer of Goldwealth Capital Sdn Bhd.

Mr Kong also sits on the Board of Fitters Diversified Berhad since December 2001.

Y BHG DATUK CHU SUI KIONG
Malaysian, Aged 54
Executive Director

Datuk Chu Sui Kiong was appointed to the Board on 31 January 2004 as Non-Independent Non-Executive Director. He subsequently assumed the position of an Executive Director on 25 July 2006.

Datuk Chu, a business entrepreneur, is involved in property development. He is currently the Owner and Executive Chairman of Jesselton Waterfront Holdings & Kudat Golf & Marina Resort Hotel.

Y BHG TAN SRI DATO' CHENG JOO TEIK
Malaysian, Aged 67
Executive Director

Tan Sri Dato' Cheng Joo Teik was appointed to the Board on 6 December 2006.

Tan Sri Dato' Cheng was formerly with Malaysian Airline System Berhad and having accumulated extensive experience in the commercial and service industry, he then joined as the Group Executive Director of a renowned group of companies specializing in managing hotels, restaurants, recreational clubs, entertainment and gaming activities for both its local and international operations. He was instrumental in implementing various internal controls and risk controlled procedures for the group of companies in ensuring management and operational efficiency.

Tan Sri Dato' Cheng also serves as a committee member in various philanthropic and charitable organizations and has contributed extensively to fund raising and charitable activities for the needy and underprivileged.

Y BHG DATO' TAN TING WONG
Malaysian, Aged 57
Executive Director

Dato' Tan Ting Wong was appointed to the Board on 17 January 2008.

Dato' Tan, a business entrepreneur, accumulated his management skills and business acumen in owning and managing companies involved in the entertainment, recreation and service industries. He is currently the Executive Chairman of a company distributing multimedia products and also holds the position of Executive Director in various private limited companies dealing in cuisines, investments, property management and transportation.

LOH SUAN PHANG
Malaysian, Aged 53
Executive Director

Mr Loh Suan Phang was appointed to the Board on 17 January 2008.

Mr Loh holds a Bachelor of Arts (Hons) from University of Malaya.

He started his initial years with Genting Berhad and has more than 26 years of experience in the senior management of food and leisure corporation.

Y BHG DATUK NG BEE KEN
Malaysian, Aged 58
Independent Non-Executive Director

Datuk Ng Bee Ken was appointed to the Board on 22 June 2009. He is the Chairman of the Audit Committee and a member of the Nomination Committee and Remuneration Committee.

He holds a Bachelor of Law (Honours) from University of Wales, Cardiff, Wales and a Master of Laws from King's College, University of London. He is also a Barrister-at-Law of Lincoln's Inn, London, an Advocate & Solicitor of the High Court of Malaya and a certified mediator. He is presently the managing partner of a law firm.

He also holds a Master of Science (Corporate Communication) from Universiti Putra Malaysia and is an Associate of the Association of Costs and Executive Accountants, England.

Datuk Ng is currently the Chairman and an Independent Non-Executive Director of Sinotop Holdings Bhd. He also sits on the board of Talam Corporation Berhad and Opensys (M) Berhad as an Independent Non-Executive Director.

Y BHG DATO' ZAKARIA BIN MOHAMMED
Malaysian, Aged 70
Independent Non-Executive Director

Dato' Zakaria Bin Mohammed was appointed to the Board on 23 May 2008. He is a member of the Audit Committee and the Chairman of the Nomination Committee and Remuneration Committee.

Dato' Zakaria is a Polis DiRaja Malaysia pensioner holding the rank of Senior Assistant Commissioner before he retired in 1998. He had held several senior posts including the Officer-in-charge of Criminal Investigation and Deputy Chief Police Officer Kuala Lumpur. He was also the Chief Police Officer of Kelantan.

Dato' Zakaria was previously with TT Resources Berhad and Zaitun Berhad. He is also a director of several private limited companies.

Dato' Zakaria was also nominated as a Senior Independent Non-Executive Director of the Company.

LEE YOKE SHUE
Malaysian, Aged 58
Independent Non-Executive Director

Mr Lee Yoke Shue was appointed to the Board on 14 May 2002 as Executive Director and is currently an Independent Non-Executive Director of the Company. He is a member of the Audit Committee.

He holds a Bachelor of Economics (Accounting) degree from the University of La Trobe, Australia. He is a Chartered Accountant and is a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.

Mr Lee was previously attached to Price Waterhouse (now known as PricewaterhouseCoopers) for eighteen (18) years. During his tenure, he was involved in providing auditing and business advisory services to both private and public sectors, carried out financial investigations on corporations facing financial disputes and provided litigation support to substantiate legal findings. He specialised in corporate recovery and business turnarounds during economic crisis and was also appointed to undertake privatisation and corporatisation exercises for the government. He was also seconded to a local bank under the directive of Bank Negara Malaysia to set up and assist the bank's Recovery Division.

Notes to the Directors' Profile:

1. None of the Directors of Widetech have family relationships with any other Directors and/or major shareholders of the Company;
2. None of the Directors have any convictions for offences (other than traffic offences) within the past 10 years.
3. None of the Directors have conflict of interest with the Widetech Group.
4. The details of Directors' attendance at the Board Meetings during the financial year ended 31 March 2013 are disclosed on page 20 of this Annual Report.
5. The details of Directors' Interest in the securities of the Company are set out in the Analysis of Shareholdings on pages 105 to 107 of this Annual Report.

The Board of Directors of Widetech (Malaysia) Berhad ("the Board") is pleased to present the Audit Committee Report for the financial year ended 31 March 2013.

COMPOSITION AND MEETINGS

As at the date of this Annual Report, the Audit Committee comprises three (3) Directors as follows:

Chairman

Datuk Ng Bee Ken	-	Independent Non-Executive Director

Members

Dato' Zakaria Bin Mohammed	-	Independent Non-Executive Director
Lee Yoke Shue	-	Independent Non-Executive Director

The Audit Committee met five (5) times during the financial year ended 31 March 2013 and the details of attendance of the Audit Committee are as follows:

Name of Director	Attendance
Datuk Ng Bee Ken	5/5
Dato' Zakaria Bin Mohammed	5/5
Dato' Lim Sin Khong *(Resigned on 31 October 2012)*	1/3
Lee Yoke Shue	4/5

Details of the members of the Audit Committee are contained in the Profile of Directors set out on pages 7 to 10 of this Annual Report.

SUMMARY OF TERMS OF REFERENCE

1. Composition

The Board shall elect a Committee from amongst themselves, comprising at least 3 Directors where all the Committee members must be Non-Executive Directors, with a majority of whom must be Independent Directors and at least 1 member shall be a member of the Malaysian Institute of Accountants or possess such other qualifications and/or experience as approved by the Bursa Malaysia Securities Berhad ("Bursa Securities").

2. Meetings

The Audit Committee shall meet at least four (4) times in each financial year. The quorum for a meeting shall be two (2) members, provided that the majority of members present shall be Independent Directors.

The Audit Committee may call for a meeting as and when required with reasonable notice as the Committee Members deem fit.

Other Directors who are not members of the Committee and employees may attend any particular Committee Meeting upon the Audit Committee's invitation.

The internal auditors and external auditors may appear at any meeting at the invitation of the Audit Committee and shall appear before the Audit Committee when required to do so by the Audit Committee. The internal auditors and external auditors may also request a meeting if they consider it necessary.

3. Key Functions and Responsibilities

The key functions and responsibilities of the Audit Committee are as follows:

(a) To review with the external auditors, the audit plan, the scope of audit and their audit report;

(b) To review the quarterly results and annual financial statements of the Group prior to submission to the Board of Directors;

(c) To review with management:

- audit reports and management letter issued by the External Auditors and the implementation of audit recommendations
- quarterly financial information
- the assistance given by the officers of the Company to the External Auditors

(d) To review the effectiveness and adequacy of the scope, competency, nature and resources of the internal audit functions and the system of internal control within the Group;

(e) To review the internal audit programme, processes, results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;

(f) To review any related party transaction and conflict of interest that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity;

(g) To consider the appointment of internal and external auditors, the audit fee and any questions of resignation or dismissal including recommending the nomination of person or persons as auditors; and

(h) To carry out other functions as may be agreed by the Audit Committee and Board of Directors from time to time.

4. Rights

The Audit Committee is authorised by the Board to investigate any activity within its terms of reference and shall have unrestricted access to both the internal and external auditors and to all employees of the Group. The Audit Committee is also authorised by the Board to obtain external legal or other independent professional advice as necessary.

The Audit Committee is also authorised to convene meetings with the Internal Auditors and External Auditors, excluding the attendance of other directors and employees of the Group, whenever deemed necessary.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

In accordance with the terms of reference of the Audit Committee, the following activities were undertaken by the Audit Committee during the financial year ended 31 March 2013, including the deliberation on and review of:

(a) the unaudited quarterly financial statements of the Group to ensure that they are in compliance with the requirements of relevant authorities, prior to submission to the Board for their approval and release of the Group's results to Bursa Securities.

(b) the annual audited financial statements of the Group and of the Company prior to submission to the Board of Directors for consideration and approval.

(c) the External Auditors' report in relation to audit and accounting issues arising from the audit; matters arising from the audit of the Group in meetings with the External Auditors without the presence of the executive Board members and management.

(d) the internal audit report and the results and recommendations arising from the reviews conducted by the outsourced internal audit function.

(e) the related party transactions and potential conflict of interest situation that may have arisen within the Company or Group.

(f) the re-appointment of External Auditors and their audit fees, before the recommendation to the Board of Directors for approval.

(g) the necessary trainings attended by members of the Audit Committee are set out on page 21 of this Annual Report.

INTERNAL AUDIT FUNCTION

During the financial year ended 31 March 2013, the Group's internal audit function was outsourced to an independent professional firm to review and improve its existing processes for identifying and managing the Group's risks and the control procedures to manage those risks.

The Board did not review the internal control system of its associate company as the Board does not have any direct control over their operations.

The Board of Directors of Widetech (Malaysia) Berhad ("Widetech" or "the Company") is committed to cultivating a responsible organisation by instilling corporate conscience through excellence in corporate governance ("CG") standards at all times. This includes accountability and transparency which is observed throughout the Group as a fundamental part of building a sustainable business and discharging its responsibilities to protect and enhance shareholder value and the financial performance of the Group. The Board is pleased to report on how the Company and the Group have applied the principles set out in the Malaysian Code on Corporate Governance 2012 ("MCCG 2012").

1. Establish clear roles and responsibilities

1.1 Clear functions of the Board and those delegated to Management

The Board is responsible for formulating and reviewing the strategic plans and key policies of the Company, and charting the course of the Group's business operations whilst providing effective oversight of Management's performance, risk assessment and controls over business operations.

The Board delegates and confers some of its authorities and discretion on the Chairman, Executive Directors, and Management as well as on properly constituted Board Committees comprising mainly/exclusively Non-Executive Directors.

There is a clear division of responsibilities between the Chairman of the Board and the Chief Executive Officer ("CEO"). The Chairman leads strategic planning at the Board level, while the Executive Director, led by the CEO, is responsible for the implementation of the policies laid down and executive decision-making.

The role of Management is to support the Executive Director and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

The Board Committees are made up of the Audit Committee ("AC"), Nomination Committee ("NC") and Remuneration Committee ("RC"); and are entrusted with specific responsibilities to oversee the Group's affairs, with authority to act on behalf of the Board in accordance with their respective Terms of Reference. At each Board meeting, minutes of the Board Committee meetings are presented to keep the Board informed. The Chairman of the relevant Board Committees also reports to the Board on key issues deliberated by the Board Committees at their respective meetings.

In general, the Non-Executive Directors are independent of Management. Their roles are to constructively challenge Management and monitor the success of Management in delivering the approved targets and business plans within the risk appetite set by the Board. They have free and open contact with Management at all levels, and they engage with the external and internal auditors to address matters concerning Management and oversight of the Company's business and operations.

Key matters reserved for the Board's approval include the annual business plan and budget, capital management and investment policies, authority limits/levels, risk management policies, declaration of dividends, business continuity plan, issuance of new securities, business restructuring, expenditure above a certain limit, material acquisitions and disposition of assets.

1.2 Clear roles and responsibilities in discharging fiduciary and leadership functions

The Board has discharged its responsibilities in the best interests of the Company. The following are among the key responsibilities of the Board:

(a) Reviewing and adopting the Company's strategic plans

The Board has in place a strategy planning process, whereby the CEO presents and proposes to the Board the Management's business plans for the ensuing year for the Board's review and approval. The Board will deliberate both Management's and its own perspectives, and challenge the Management's views and assumptions to ensure the best outcome.

(b) Overseeing the conduct of the Company's business

The CEO is responsible for the day-to-day management of the business and operations of the Group in respect of both its regulatory and commercial functions. He is supported by the Management and the Group Accountant.

The Management's performance, under the leadership of the CEO, is assessed by the Board through monitoring of the success in delivering the approved targets and business plans against the performance of the Group.

(c) Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures

The AC, through the internal audit function, advises the Board on areas of high risk faced by the Group and the adequacy of compliance and control throughout the organisation. The AC reviews the action plan implemented and makes relevant recommendations to the Board to manage risks.

(d) Succession Planning

The Board has entrusted the NC and RC with the responsibilities to review candidates for the Board and key management positions and to determine remuneration packages for these appointments, as well as to formulate nomination, selection, remuneration and succession policies for the Group.

The NC shall carry out yearly evaluation on the performance of the Group Accountant in accordance with the MCCG 2012. For this purpose, the NC will look into the performance evaluation of the Group Accountant for the financial year ending 31 December 2013.

(e) Overseeing the development and implementation of a shareholder communications policy for the Company

The Company strongly believes that effective and timely communication is essential in maintaining good relations with the shareholders, investors and investment community.

The Company has identified Dato' Zakaria Bin Mohammed as the Senior Independent Non-Executive Director to whom concerns of shareholders and other stakeholders may be conveyed.

In addition to the above, shareholders and investors can make inquiries about investor relations matters with designated management personnel directly responsible for investor relations matters via dedicated e-mail addresses available on the corporate website.

(f) Reviewing the adequacy and integrity of management information and internal control system of the Company

The Board is ultimately responsible for the adequacy and integrity of the Company's internal control system. Details pertaining to the Company's internal control system and the reviews of its effectiveness are set out in the Statement on Risk Management and Internal Control of this Annual Report.

1.3 Ethical standards through Code of Conduct

The Board is guided by the Company's Code of Conduct ("the Code") for Directors and Employees in discharging its oversight role effectively. The Code requires all Directors to observe high ethical business standards, and to apply these values to all aspects of the Group's business and professional practice and act in good faith in the best interests of the Group and its shareholders. A summary of the Code has been published on the corporate website.

1.4 Strategies promoting sustainability

The Board shall endeavour to formalise the Company's strategies on promoting sustainability and publish the same on the corporate website.

1.5 Access to information and advice

The Directors have individual and independent access to the advice and dedicated support services of the Company Secretaries in ensuring the effective functioning of the Board. The Directors may seek advice from Management on issues under their respective purview. The Directors may also interact directly with Management, or request further explanation, information or updates on any aspect of the Company's operations or business concerns from them.

In addition, the Board may seek independent professional advice at the Company's expense on specific issues to enable it to discharge its duties in relation to matters being deliberated.

1.6 Qualified and competent company secretaries

The Board is regularly updated and apprised by the Company Secretary on new regulation issued by the regulatory authorities. The Company Secretary also serves notice to the Directors and Principal Officers to notify them of closed periods for trading in the Company's shares.

The Company Secretary attends and ensures that all Board meetings are properly convened and that accurate and proper records of the proceedings and resolutions passed are taken and maintained in the statutory register of the Company.

The Company Secretary works closely with Management to ensure that there are timely and appropriate information flows within and to the Board and Board Committees.

1.7 Board Charter

In discharging its duties, the Board is constantly mindful of the need to safeguard the interests of the Group's stakeholders. In order to facilitate the effective discharge of its duties, the Board is guided by the Board Charter which was adopted by the Board on 20 August 2013 and the same has been published on the corporate website.

The Board Charter serves to ensure that all Board members acting on the Group's behalf are aware of their expanding roles and responsibilities. It sets out the strategic intent and specific responsibilities to be discharged by the Board members collectively and individually. It also regulates on how the Board conducts business in accordance with the CG principles.

2.0 Strengthen Composition

2.1 NC

The NC was established on 26 February 2004 and comprises exclusively Independent Non-Executive Directors.

The NC is guided by specific terms of reference and the NC's duties are as follows:

- To recommend candidates for all directorships to be filled by shareholders or the Board;
- To recommend candidates to fill the seats on Board Committees;
- To assess the contribution of each individual Director;
- To review annually the Board structure, size, composition and the balance between Executive Directors, Non-Executive Directors and Independent Directors to ensure that the Board has the appropriate mix of skills and experience including core competencies which Directors should bring to the Board and other qualities to function effectively and efficiently;
- To take the necessary steps to identify women candidates as part of the Company's recruitment exercise to facilitate the implementation of gender diversity policy;
- To review annually the independence of Independent Directors;
- To ensure existence of an appropriate framework and succession plan for the Executive Director and senior management of the Company;
- To identify suitable orientation, educational and training programmes for continuous development of Directors;
- To establish and implement processes for assessing the effectiveness of the Board as a whole, the Committees of the Board and assessing the contribution of each Director; and
- To consider other matters as referred to the Committee by the Board.

2.2 Develop, maintain and review criteria for recruitment and annual assessment of Directors

Board appointment process

The NC is responsible for identifying and recommending suitable candidates for Board membership and also for assessing the performance of the Directors on an ongoing basis. The Board will have the ultimate responsibility and final decision on the appointment. This process shall ensure that the Board membership accurately reflects the long-term strategic direction and needs of the Company while it determines the skills matrix needed to support the strategic direction and needs of the Company.

Management shall then engage broadly to develop a pool of interested potential candidates meeting the skills, expertise, personal qualities and diversity requirements for both the Board and the Committee appointments.

The NC evaluates and matches the criteria of the candidate, and will consider diversity, including gender, where appropriate, and recommends to the Board for appointment.

Consideration will be given to those individuals possessing the identified skill, talent and experience.

The NC will contact those persons identified to determine the interest in serving the Company. This communication will ensure that prospective Board members have clarity regarding the nominating process as well as Director/Board profiles, roles and responsibilities, expectations of time commitments and other information as required.

According to the Articles of Association of the Company, all Directors are required to submit themselves for re-election at intervals of not more than three (3) years. The Articles of Association also state that one-third (1/3) of the Board members shall retire from office at the Annual General Meeting ("AGM") and shall be eligible for re-election at the same AGM.

The new Director(s) duly appointed by the Board are then recommended for re-election at the AGM.

The Company shall then provide orientation and on-going education to the Board.

In making the selection, the Board is assisted by the NC to consider the following aspects:

- Probity, personal integrity and reputation – the person must have the personal qualities such as honesty, integrity, diligence and independence of mind and fairness.

- Competence and capability – the person must have the necessary skills, ability and commitment to carry out the role.

Annual Assessment

The Board is tasked to review and evaluate its own performance and the performance of its Committees on an annual basis. The Board evaluation comprises a Board Assessment, an Individual (Self & Peer) Assessment and an Assessment of Independence of Independent Directors.

The assessment of the Board is based on specific criteria, covering areas such as the Board structure, Board operations, roles and responsibilities of the Board, the Board Committee and the Chairman's role and responsibilities.

For Individual (Self & Peer) Assessment, the assessment criteria include contribution to interaction, quality of inputs, and understanding of role.

The results of the assessment would form the basis of the NC's recommendation to the Board for the re-election of Directors at the next AGM.

Gender diversity policy

The Company shall endeavour to adopt this gender diversity policy and the Board, through the NC, shall take the necessary steps to ensure that due consideration is given to female candidates as directors and/or Board Committee members to facilitate achievement of such policy and target in accordance with the MCCG 2012.

2.3 Remuneration Policies and Procedures

The RC and the Board ensure that the Company's remuneration policy remains supportive of the Company's corporate objectives and is aligned with the interest of shareholders, and that the remuneration packages of Directors and key Senior Management Officers are sufficiently attractive to attract and to retain persons of high calibre.

The RC is responsible to recommend to the Board the remuneration framework for Directors necessary to attract, retain and motivate the Directors which are reflective of the Directors' experience and level of responsibilities.

It is the ultimate responsibility of the entire Board to approve the remuneration of the Executive Directors and none of the Executive Directors participate in any way in determining their individual remuneration. The remuneration and entitlements of the Non-Executive Directors is a matter of the Board of Directors as a whole, with individual Directors abstaining form decisions in respect of their remuneration.

Details of the Directors' remuneration for the financial year ended 31 March 2013 are as follows:

	Salary	Fees	Bonus	Allowance	Total
Executive Directors	231,756	-	29,640	459,684	721,080
Non-Executive Directors	-	-	-	43,000	43,000
Total	231,756	-	29,640	502,684	764,080

The number of Directors whose remuneration falls within the following bands is shown as follows:

Range of Remuneration (RM)	Executive Directors	Non-Executive Directors
50,000 and below	-	3
50,001 to 100,000	5	-
100,001 to 150,000	-	-
150,001 to 200,000	-	-
200,001 to 250,000	-	-
250,001 to 300,000	1	-

3.0 Reinforce Independence

3.1 Annual Assessment of Independence

The Board, through the NC, shall assess the independence of Independent Directors annually. The criteria for assessing the independence of an Independent Director include the relationship between the Independent Director and the Company and his involvement in any significant transaction with the Company.

3.2 Tenure of Independent Directors

The Board has adopted a nine-year policy for Independent Non-Executive Directors. An Independent Director may continue to serve on the Board subject to the director's re-designation as a Non-Independent Director. Otherwise, the Board will justify and seek shareholders' approval at the AGM in the event it retains the director as an Independent Director.

None of the Independent Non-Executive Directors has served more than 9 years in the Company.

3.3 Shareholders' approval for the Continuance Office as Independent Directors

The Board would seek shareholders' approval at the AGM if an Independent Director who has served in that capacity for more than nine years shall remain as an Independent Director.

The NC will assess the independence of the Independent Director based on the assessment criteria developed by the NC, and recommended to the Board for recommendation to shareholders for approval. Justification for the Board's recommendation would be provided to shareholders.

3.4 Separation of the Positions of the Chairman and the CEO

The roles of the Chairman and CEO are distinct and separate with a clear division of responsibilities to ensure the balance of power and authority so that no single individual has absolute power within the Group. The Chairman leads the Board to ensure its effectiveness whereas the CEO is responsible for the efficient and effective management of the business and operations of the Company.

3.5 Composition of the Board

The Board currently comprises 9 members, of whom, 6 are Executive Directors (including the Executive Chairman) and 3 are Independent Non-Executive Directors. The profile of the Directors are set out on pages 7 to 10 of this Annual Report.

The Board comprises highly respectable and professional persons and represents a diverse background of knowledge, expertise and experience. With their combined experience and knowledge they provide sound advice and judgment for the benefit of the Company and its shareholders. The mixed skills and experience are vital for the successful performance of the Company.

The Executive Directors are responsible for implementing the policies and decisions of the Board and overseeing the operations of the Group. The Non-Executive Directors play a pivotal role in ensuring that the strategies proposed by the executive management are for the full benefits of the stakeholders and bring forth a balanced, unbiased and independent judgment on all aspects of the Group's strategies and performance.

In addition, due to the active participation of all the Directors including the 3 Independent Non-Executive Directors, no individual or small group of individuals dominate the Board's decision making processes.

4.0 Foster Commitment

4.1 Time Commitment

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. This is evidenced by the attendance record of the Directors at Board Meetings, as set out in the table below:

Name of Director	**Attendance (As at 31/03/2013)**
Dato' Lim Kim Huat	4/4
Kong Sin Seng	4/4
Tan Sri Dato' Cheng Joo Teik	2/4
Datuk Chu Sui Kiong	2/4
Dato' Tan Ting Wong	4/4
Loh Suan Phang	3/4
Datuk Ng Bee Ken	4/4
Dato' Zakaria Bin Mohammed	4/4
Lee Yoke Shue	3/4
Dato' Lim Sin Khong *(Resigned on 31 October 2012)*	1/2

To ensure that the Directors have the time to focus and fulfil their roles and responsibilities effectively, the Directors must not hold directorships in more than five (5) public listed companies and shall notify the Chairman before accepting any new directorship.

To facilitate the Directors' time planning, an annual meeting schedule is prepared and circulated at the beginning of every year, as well as the tentative closed periods for dealings in securities by Directors based on the targeted dated of announcements of the Group's quarterly results.

4.2 Training

All Directors had completed the Mandatory Accreditation Programme ("MAP") as prescribed by Bursa Securities. The Company will continue to identify suitable training for the Directors to equip and update themselves with the necessary knowledge in discharging their duty and responsibilities as Directors.

The Directors are encouraged to attend briefing, conferences, forums, trade fairs (locally and internationally), seminars and training to keep abreast with the latest developments in the industry and to enhance their skills and knowledge.

During the financial year ended 31 March 2013, the Directors had attended the following training, seminars, conferences and exhibitions which they considered vital in keeping abreast with changes in laws and regulations, business environment, and corporate governance development:

i) Advocacy Session for Director 2013
ii) Impact of Amendments to Listing Requirements of Bursa Malaysia
iii) Malaysian Code on Corporate Governance 2012

5.0 Uphold Integrity in Financial Reporting

5.1 Compliance with applicable financial reporting standards

The Board is committed to providing a balanced, clear and meaningful assessment of the financial performance and prospects of the Company via all disclosures and announcements made.

The Board is assisted by the AC to oversee and scrutinise the process and quality of the financial reporting which includes reviewing and monitoring the integrity of the financial statements and the appropriateness of the Company's accounting policies to ensure accuracy, adequacy and completeness of the report, as well as in compliance with the relevant accounting standards.

5.2 Assessment of suitability and independence of external auditors

The AC is responsible for reviewing audit, recurring audit-related and non-audit services provided by the external auditors. These recurring audit-related and non-audit services comprise regulatory reviews and reporting, interim reviews, tax advisory and compliance services.

The terms of engagement for services provided by the external auditors are reviewed by the AC prior to submission to the Board for approval.

The AC has reviewed the provision of non-audit services by the external auditors during the year and concluded that the provision of these services did not compromise the external auditors' independence and objectivity as the amount of the fees paid for these services was not significant when compared to the total fees paid to the external auditors.

Having satisfied itself with Messrs SJ Grant Thornton's performance, the AC will recommend their re-appointment to the Board, upon which the shareholders' approval will be sought at the AGM.

6.0 Recognise and manage risks

6.1 Sound framework to manage risks

The Board oversees, reviews and monitors the operation, adequacy and effectiveness of the Group's system of internal controls.

The AC oversees the risk management framework of the Group and advises the Board on areas of high risk faced by the Group and the adequacy of compliance and control throughout the organisation. The AC also reviews the action plan implemented and makes relevant recommendations to the Board to manage residual risks.

The Company continues to maintain and review its internal control procedures to ensure the protection of its assets and its shareholders' investment.

6.2 Internal Audit Function

The Company has outsourced its internal audit function to a professional services firm namely PKF Advisory Sdn Bhd to assist the AC in discharging its duties and responsibilities in respect of reviewing the adequacy and effectiveness of the Group's risk management and internal control systems.

The Statement on Risk Management and Internal Control set out on pages 24 and 25 of this Annual Report provides the overview of the internal control framework adopted by the Company during the financial year ended 31 March 2013.

7.0 Ensure timely and high quality disclosure

7.1 Corporate Disclosure Policy and Procedures

The Board shall ensure that all communications to the public are timely, factual, accurate, complete, broadly disseminated and where necessary, filed with regulators in accordance with applicable laws.

The CEO and the management team are responsible for determining the materiality of the information and ensuring timely, complete and accurate disclosure of material information to the investing public in accordance with securities laws and stock exchange rules and regulations, monitoring compliance with this policy and overseeing the disclosure controls and procedures.

Sufficient information would be provided to the Company Secretary for drafting of the necessary announcement.

The Board is mindful that information which is expected to be material must be announced immediately, and that the confidential information should be handled properly to avoid leakage and improper use of such information.

7.2 Leverage on information technology for effective dissemination of information

Widetech's website provides all the relevant corporate information and it is accessible by the public. The Company's website includes all announcements made by Widetech as well as its financial results.

Through the Company's website, the stakeholders are able to direct queries to the Company.

8.0 Strengthen relationship between Company and Shareholders

8.1 Encourage shareholder participation at general meetings

In an effort to encourage greater shareholders' participation at AGMs, the Board takes cognisance in serving longer than the required minimum notice period for AGMs, when possible. The Chairman shall ensure that the Board is accessible to shareholders and an open channel of communication is cultivated.

Widetech encloses the Annual Report and Notice of AGM with regard to, amongst others, details of the AGM, their entitlement to attend the AGM, the right to appoint proxy and also the qualification of proxy.

The Company allows a shareholder to appoint a proxy who may not be a member of the Company. If the proxy is not a member of the Company, he/she need not be an advocate, an approved company auditors or a person approved by the Registrar of Companies.

To further promote participation of members through proxies, which is in line with the Main Market Listing Requirements, the Company had amended its Articles of Association to include explicitly the right of proxies to speak at general meetings.

8.2 Encourage poll voting

At the 28th AGM of the Company held on 28 September 2012, all resolutions put forth for shareholders' approval at the meeting were voted on by show of hands.

The Chairman would ensure that shareholders were informed of their rights to demand a poll vote at the commencement of the AGM.

8.3 Effective communication and proactive engagement

At the 28th AGM, Directors were present in person to engage directly with, and be accountable to the shareholders for their stewardship of the Company. The Directors, Management and external auditors were in attendance to respond to the shareholders' queries.

From the Company's perspective, the AGM also serves as a forum for Directors and Management to engage with the shareholders personally to understand their needs and seek their feedback. The Board welcomes questions and feedback from shareholders during and at the end of shareholders' meeting and ensures their queries are responded in a proper and systematic manner.

COMPLIANCE STATEMENT

The Board believes that the Company has in 2012 adopted the Principles and Recommendations of the MCCG 2012 in all material aspects, save as disclosed therein.

This statement is made in accordance with the resolution of the Board dated 20 August 2013.

INTRODUCTION

The Board of Directors ("the Board") of Widetech (Malaysia) Berhad is pleased to present below its Statement on Risk Management and Internal Control which outlines the nature and scope of the risk management and internal controls of the Group, excluding associated company, for the financial year ended 31 March 2013. This Statement has been prepared pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers("the Guidelines").

BOARD'S RESPONSIBILITY

The Board affirms its responsibility to oversee that effective systems of risk management and internal control are in place to ensure that shareholders' interests and the Group's assets are safeguarded. In this respect, the responsibility of reviewing the adequacy and integrity of internal control system has been delegated to the Audit Committee, which is empowered by its terms of reference to seek an assurance on the adequacy and integrity of internal control system through reports it receives from independent reviews conducted by the internal audit function and Management.

Due to inherent limitations in any system of internal control, such internal control system put into effect by Management can only manage rather than eliminate all risks that may impede achievement of the Group's business objectives or goals. Therefore, internal control system can only provide reasonable and not absolute assurance against material misstatement or loss.

RISK MANAGEMENT FRAMEWORK

On a day-to-day basis, key management staff and Heads of Department are responsible for managing risks of their departments. Periodic management meetings, attended by Heads of Department and key management staff are held in which key risks and appropriate mitigating controls are also discussed. Key risks relating to the Group's strategic and business plans are escalated to the Board at their scheduled meetings.

The abovementioned risk management practices of the Group serve as an on-going process to identify, evaluate and manage significant risks. The Board shall re-evaluate the existing risk management practises, and where appropriate and necessary, revise such practises accordingly.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to a professional service firm to assist the Board and Audit Committee in providing independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system. The scope of review of outsourced internal audit function is determined by Audit Committee with feedback from the Executive Management.

During the financial year ended 31 March 2013, the internal audit function carried out an internal audit review on a subsidiary focusing on Sales & Credit control, Procurement & Payment function and Fixed Assets Management. The results of these reviews were presented to Audit Committee at one of its scheduled meetings. In addition, follow-up visits will also be conducted to ascertain the status of implementation of agreed management action plans.

The total professional fees paid for the outsourced internal audit function for the financial year ended 31 March 2013 amounted to RM15,000.

OTHER KEY ELEMENTS OF INTERNAL CONTROL

Other key elements of the Group's internal control system are:

1. A well defined organisational structure with clear lines of accountability, which has a documented delegation of authority that sets out decisions that need to be taken and the appropriate authority levels of management, including matters that require the Board's approval.

2. The Audit Committee reviews quarterly financial reports, annual financial statements and the internal audit report on a periodic basis. Discussions with Management were held to deliberate on actions that are required to be taken to address internal control matters identified by outsourced internal audit function.

3. The Executive Directors are closely involved in the running of business and operations of the Group and they report to the Board on significant changes in business and external environment, which affect operations of the Group at large.

4. Experienced and dedicated teams of personnel across key functional units.

5. Regular management meetings are held to discuss the Group's performance, business operations and management issues, as well as to formulate appropriate measures to address them.

6. Established internal policies and procedures for key business units within the Group.

7. One of the Group's operations is ISO 9001:2008 and ISO 14001:2004 certified. With such certifications, audits are periodically conducted by external ISO auditors to ensure compliance with the terms and conditions of the certifications.

ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Board has received assurance from the Chief Executive Officer and the management team that the Group's risk management and internal control system are operating adequately and effectively in all material aspects. It is of the view that the risk management and internal control system is satisfactory and no material internal control failures nor have any of the reported weaknesses resulted in material losses or contingencies during the financial year under review.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Main Market Listing Requirements of the Bursa Securities, the External Auditors have reviewed this Statement for inclusion in the 2013 Annual Report, and reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.

This Statement was approved by the Board of Directors on 23 July 2013.

1. **Share Buy-Back**

   The Company did not have a share buy-back scheme during the financial year under review.

2. **American Depository Receipt ("ADR") / Global Depository Receipt ("GDR")**

   The Company did not participate in any ADR or GDR Programme during the financial year under review.

3. **Employees' Share Option Scheme**

   The Company did not implement any employees' share option scheme during the financial year under review.

4. **Options, Warrants or Convertible Securities**

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

5. **Imposition of Sanctions and/or Penalties**

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

6. **Non-Audit Fees**

   The amount of non-audit fees incurred for services rendered by the external auditors to the Group for the financial year ended 31 March 2013 amounted to RM3,000.00.

7. **Variation in Results**

   There were no variations of 10% or more between the audited results of the Group for the financial year ended 31 March 2013 and the unaudited results previously announced.

8. **Profit Guarantee**

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

9. **Material Contracts**

   There were no material contracts entered into by the Company and its subsidiaries involving directors' and major shareholders' interests, which were subsisting at the end of the financial year ended 31 March 2013.

10. **Utilisation of Proceeds**

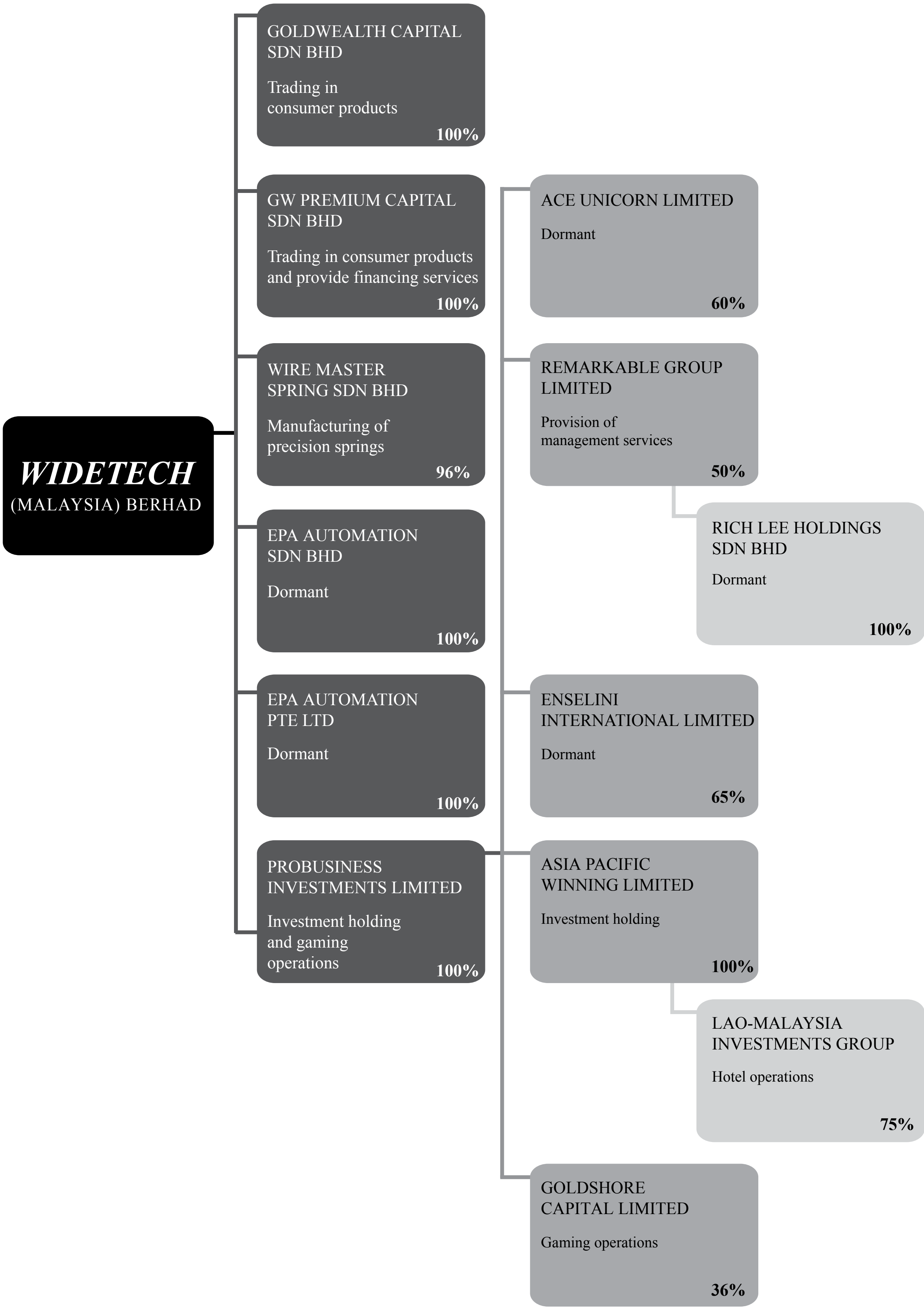
    The Company did not undertake any fund raising exercise during the financial year under review.

The Directors are required to prepare the financial statements that give a true and fair view of the state of affairs of the Company and of the Group at the end of each financial year and of the results and cashflow for that year. The financial statements must be prepared in compliance with the Companies Act, 1965 and with applicable approved accounting standards.

In preparing the financial statements of the Company and of the Group for the financial year ended 31 March 2013, the Directors have:

- selected suitable accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- ensured that all applicable accounting standards have been followed; and
- prepared financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for ensuring that the Company and Group maintained accounting records which disclose with reasonable accuracy the financial position of the Company and of the Group and that the financial statements comply with the requirements of the Companies Act, 1965. The Directors have the general responsibility for taking reasonable measures to prevent and detect fraud and other irregularities in order to safeguard the assets of the Company and of the Group.


WIDETECH
(MALAYSIA) BERHAD
GOLDWEALTH CAPITAL SDN BHD
Trading in consumer products
100%
GW PREMIUM CAPITAL SDN BHD
Trading in consumer products and provide financing services
100%
WIRE MASTER SPRING SDN BHD
Manufacturing of precision springs
96%
EPA AUTOMATION SDN BHD
Dormant
100%
EPA AUTOMATION PTE LTD
Dormant
100%
PROBUSINESS INVESTMENTS LIMITED
Investment holding and gaming operations
100%
ACE UNICORN LIMITED
Dormant
60%
REMARKABLE GROUP LIMITED
Provision of management services
50%
RICH LEE HOLDINGS SDN BHD
Dormant
100%
ENSELINI INTERNATIONAL LIMITED
Dormant
65%
ASIA PACIFIC WINNING LIMITED
Investment holding
100%
LAO-MALAYSIA INVESTMENTS GROUP
Hotel operations
75%
GOLDSHORE CAPITAL LIMITED
Gaming operations
36%

FINANCIAL STATEMENTS

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2013.

Principal activities

The principal activities of the Company and its subsidiaries are as follows:

Company	-	Investment holding
	-	Provision of management services
	-	Rental of properties
Subsidiaries	-	The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

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

Results

	Group RM	Company RM
Profit/(Loss) for the financial year attributable to :		
Owners of the Company	816,047	(703,379)
Non-controlling interest	1,443,500	-
	2,259,547	(703,379)

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

Dividend

There was no dividend proposed, declared or paid by the Company since the end of the previous financial year and the Directors do not recommend any dividend to be paid for the financial year under review.

Directors

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

Dato' Lim Kim Huat
Datuk Chu Sui Kiong
Tan Sri Dato' Cheng Joo Teik
Dato' Tan Ting Wong
Loh Suan Phang
Kong Sin Seng
Datuk Ng Bee Ken
Lee Yoke Shue
Dato' Zakaria bin Mohammed
Dato' Lim Sin Khong (resigned on 31.10.2012)

Directors' interest

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Ordinary shares of RM1 each			
	Balance at 1.4.2012	**Bought**	**(Sold)**	**Balance at 31.3.2013**
The Company				
Direct interest				
Tan Sri Dato' Cheng Joo Teik				
- own	200,000	-	-	200,000
- others [@]	1,559,900	-	-	1,559,900
Datuk Chu Sui Kiong	220,500	517,236	-	737,736
Loh Suan Phang	2,011,300	-	-	2,011,300
Indirect interest				
Tan Sri Dato' Cheng Joo Teik	4,198,952	-	-	4,198,952
Datuk Chu Sui Kiong	8,030,652	-	-	8,030,652
Dato' Tan Ting Wong	8,030,652	-	-	8,030,652
Subsidiaries				
Direct interest				
Tan Sri Dato' Cheng Joo Teik				
- Wire Master Spring Sdn. Bhd.				
- own	1	-	-	1
Indirect interest				
Datuk Chu Sui Kiong				
- Wire Master Spring Sdn. Bhd.	1,439,998	-	-	1,439,998
Dato' Tan Ting Wong				
- Wire Master Spring Sdn. Bhd.	1,439,998	-	-	1,439,998

Directors' interest (Cont'd)

	Ordinary shares of USD1 each			
	Balance at 1.4.2012	**Bought**	**(Sold)**	**Balance at 31.3.2013**
<u>*Indirect interest*</u>				
Datuk Chu Sui Kiong				
- Ace Unicorn Limited	3	-	-	3
- Remarkable Group Limited	1	-	-	1
- Enselini International Limited	65	-	-	65
- Lao-Malaysia Investments Group	750,000	-	-	750,000
Dato' Tan Ting Wong				
- Ace Unicorn Limited	3	-	-	3
- Remarkable Group Limited	1	-	-	1
- Enselini International Limited	65	-	-	65
- Lao-Malaysia Investments Group	750,000	-	-	750,000

@ These are shares held in the name of the son and are treated as interest of the Director in accordance with Section 134 (12) (c) of the Companies Act, 1965.

By virtue of their interest in the shares of the Company, Datuk Chu Sui Kiong and Dato' Tan Ting Wong are also deemed to be interested in the shares of the subsidiaries during the financial year to the extent that the Company has an interest.

None of the other Directors holding office at 31 March 2013 had any interest in the ordinary shares of the Company and its related corporations during the financial year.

Directors' benefits

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

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by Directors as disclosed in Notes 19 and 20 of the financial statements) by reason of a contract made by the Company or a related company 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, other than certain Directors who may be deemed to derive a benefit by virtue of transactions entered into in the ordinary course of business between the Company and companies in which the Directors have substantial financial interest, as disclosed in Note 23 to the financial statements.

Issue of shares and debentures

There was no issuance of shares or debentures during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Other statutory information

Before the Statements of Comprehensive Income and Statements of Financial Position of the Group and of the Company were made out, the Directors took reasonable steps:-

(a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and provision for doubtful debts was required; and

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

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

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

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

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

(d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

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

(a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

In the opinion of the Directors:-

(a) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due; and

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

(c) 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 current financial year in which this report is made.

Auditors

The Auditors, Messrs SJ Grant Thornton have expressed their willingness to continue in office.

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

……………………………………………….........)		
TAN SRI DATO' CHENG JOO TEIK)		
)	DIRECTORS	
……………………………………………….........)		
KONG SIN SENG)		

Kuala Lumpur
23 July 2013

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 March 2013

	Note	31.3.2013 RM	31.3.2012 RM (restated)	1.4.2011 RM (restated)
ASSETS				
Non-current assets				
Property, plant and equipment	4	13,140,881	14,561,367	17,255,619
Investment in an associate	6	-	-	60,520
Receivables, deposits and prepayments	7	2,560,797	3,643,405	5,182,695
Total non-current assets		15,701,678	18,204,772	22,498,834
Current assets				
Receivables, deposits and prepayments	7	2,762,614	3,621,341	5,274,512
Inventories	8	783,023	850,955	794,532
Amount due from an associate	9	5,569,474	3,221,934	1,439,014
Tax recoverable		80,307	48,406	37,910
Cash and cash equivalents	10	11,140,834	9,438,837	9,755,156
Total current assets		20,336,252	17,181,473	17,301,124
Non-current assets classified as held-for-sale	11	-	500,000	-
Total assets		36,037,930	35,886,245	39,799,958
EQUITY AND LIABILITIES				
EQUITY				
Share capital	12	44,753,400	44,753,400	44,753,400
Reserves	13	(15,689,798)	(15,934,230)	(14,345,682)
Total equity attributable to owners of the parent		29,063,602	28,819,170	30,407,718
Non-controlling interest	14	41,198	131,877	777,827
Total equity		29,104,800	28,951,047	31,185,545
LIABILITIES				
Non-current liabilities				
Borrowings	15	3,868,183	4,122,189	4,366,986
Deferred taxation	16	141,777	95,000	95,000
Total non-current liabilities		4,009,960	4,217,189	4,461,986
Current liabilities				
Payables and accruals	17	2,452,010	2,247,944	3,614,723
Borrowings	15	471,160	470,065	512,614
Tax payable		-	-	25,090
Total current liabilities		2,923,170	2,718,009	4,152,427
Total liabilities		6,933,130	6,935,198	8,614,413
Total equity and liabilities		36,037,930	35,886,245	39,799,958

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the financial year ended 31 March 2013

	Note	2013 RM	2012 RM
Revenue	18	9,431,793	8,942,619
Changes in manufactured inventories		(106,181)	73,189
Raw materials and consumables used		(1,352,218)	(1,531,803)
Staff costs	19	(2,806,025)	(2,932,230)
Depreciation of property, plant and equipment	4	(1,509,413)	(1,727,382)
Operating expenses		(2,984,727)	(2,285,415)
Finance costs		(241,038)	(264,899)
Other operating income		2,629,933	1,890,539
Operating profit		3,062,124	2,164,618
Share of loss on associate		(765,055)	(3,134,758)
Profit/(Loss) before tax	20	2,297,069	(970,140)
Tax expense	21	(37,522)	(86,191)
Profit/(Loss) for the financial year		2,259,547	(1,056,331)
Other comprehensive loss			
- Exchange translation differences		(579,355)	(264,367)
Total comprehensive income/(loss) for the financial year		1,680,192	(1,320,698)
Profit/(Loss) for the financial year attributable to:-			
Owners of the parent		816,047	(1,376,534)
Non-controlling interest		1,443,500	320,203
Profit/(Loss) for the financial year		2,259,547	(1,056,331)
Total comprehensive income/(loss) attributable to:-			
Owners of the parent		244,432	(1,588,548)
Non-controlling interest		1,435,760	267,850
Profit/(Loss) for the financial year		1,680,192	(1,320,698)
Basic earnings/(loss) per ordinary share (sen)	22	1.82	(3.08)

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

	Attributable to owners of the parent						
		Non-distributable					
	Share capital RM	Share premium RM	Exchange fluctuation reserve RM	Accumulated losses RM	Total RM	Non-controlling interest RM	Total equity RM
At 1 April 2011	44,753,400	132,167	(682,652)	(13,795,197)	30,407,718	777,827	31,185,545
Effect of adopting MFRS	-	-	682,652	(682,652)	-	-	-
As restated	44,753,400	132,167	-	(14,477,849)	30,407,718	777,827	31,185,545
Dividend paid to non-controlling interest	-	-	-	-	-	(913,800)	(913,800)
Total comprehensive loss for the financial year	-	-	(212,014)	(1,376,534)	(1,588,548)	267,850	(1,320,698)
At 31 March 2012, restated	44,753,400	132,167	(212,014)	(15,854,383)	28,819,170	131,877	28,951,047
Dividend paid to non-controlling interest	-	-	-	-	-	(1,526,439)	(1,526,439)
Total comprehensive income for the financial year	-	-	(571,615)	816,047	244,432	1,435,760	1,680,192
At 31 March 2013	44,753,400	132,167	(783,629)	(15,038,336)	29,063,602	41,198	29,104,800

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

CONSOLIDATED STATEMENT OF CASH FLOWS
for the financial year ended 31 March 2013

	2013 RM	2012 RM
Cash flows from operating activities		
Profit/ (Loss) before tax	2,297,069	(970,140)
Adjustments for :		
Allowance for impairment loss	574,198	50,000
Inventories write-down	18,941	8,485
Bad debts written off	1,031	11,332
Depreciation of property, plant and equipment	1,509,413	1,727,382
Interest expense	241,038	264,899
Property, plant and equipment written off	5,388	9,128
Share of result of associate	765,055	3,134,758
(Gain)/Loss on disposal of		
- property, plant and equipment	(268,439)	316,641
- non-current assets held for sale	(669,975)	-
Unrealised loss on foreign exchange	-	9,772
Interest income	(596,607)	(472,063)
Reversal of impairment loss	(67,964)	(540,792)
Reversal of inventories write-down	(78,782)	-
Waiver of debts	-	(893,725)
Operating profit before changes in working capital	3,730,366	2,655,677
Changes in working capital :		
Associate	(2,964,035)	(3,078,878)
Inventories	127,773	(64,908)
Payables and accruals	204,066	(473,054)
Receivables, deposits and prepayments	819,115	3,342,453
Cash generated from operations	1,917,285	2,381,290
Tax paid	(22,646)	(121,777)
Net cash from operating activities	1,894,639	2,259,513

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

	2013 RM	2012 RM
Cash flows from investing activities		
Additional investment in existing associate	(148,560)	(1,778,280)
Interest received	596,607	472,063
Proceeds from disposal of property, plant and equipment	284,401	281,449
Proceeds from disposal of non-current assets held for sale (Note 11)	1,169,975	-
Purchase of property, plant and equipment	(74,678)	(75,247)
Net cash from/ (used in) investing activities	1,827,745	(1,100,015)
Cash flows from financing activities		
Dividend paid to non-controlling interest	(1,526,438)	(913,800)
Repayment of finance lease liabilities	(21,999)	(71,047)
Repayment of term loan	(230,912)	(216,299)
Interest paid	(241,038)	(264,899)
Net cash used in financing activities	(2,020,387)	(1,466,045)
Net increase/ (decrease) in cash and cash equivalents	1,701,997	(306,547)
Cash and cash equivalents at 1 April	9,438,837	9,755,156
Effects of exchange differences on cash and cash equivalents	-	(9,772)
Cash and cash equivalents at 31 March (Note 10)	11,140,834	9,438,837

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

STATEMENT OF FINANCIAL POSITION
as at 31 March 2013

	Note	31.3.2013 RM	31.3.2012 RM (restated)	1.4.2011 RM (restated)
ASSETS				
Non-current assets				
Property, plant and equipment	4	6,103,798	6,498,764	6,865,274
Investments in subsidiaries	5	3,975,004	4,422,414	3,975,004
Total non-current assets		10,078,802	10,921,178	10,840,278
Current assets				
Receivables, deposits and prepayments	7	15,621,015	15,443,413	15,590,675
Cash and cash equivalents	10	113,928	388,453	141,388
Total current assets		15,734,943	15,831,866	15,732,063
Total assets		25,813,745	26,753,044	26,572,341
EQUITY AND LIABILITIES				
EQUITY				
Share capital	12	44,753,400	44,753,400	44,753,400
Reserves	13	(23,344,156)	(22,640,777)	(23,062,269)
Total equity		21,409,244	22,112,623	21,691,131
LIABILITIES				
Non-current liability				
Borrowings	15	3,826,016	4,056,928	4,273,227
Total non-current liability		3,826,016	4,056,928	4,273,227
Current liabilities				
Payables and accruals	17	129,325	134,333	158,823
Borrowings	15	449,160	449,160	449,160
Total current liabilities		578,485	583,493	607,983
Total liabilities		4,404,501	4,640,421	4,881,210
Total equity and liabilities		25,813,745	26,753,044	26,572,341

The accompanying notes form an integral part of the financial statements

	Note	2013 RM	2012 RM
Revenue	18	770,184	1,270,186
Staff costs	19	(217,262)	(181,900)
Depreciation of property, plant and equipment	4	(394,966)	(402,167)
Operating expenses		(797,819)	(355,042)
Other operating income		161,792	343,328
Finance costs		(227,263)	(252,913)
(Loss)/ Profit before tax	20	(705,334)	421,492
Tax income	21	1,955	-
(Loss)/ Profit for the financial year/ Total comprehensive (loss)/ income for the financial year		(703,379)	421,492

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

STATEMENT OF CHANGES IN EQUITY
for the financial year ended 31 March 2013

		← Non-distributable →		
	Share capital RM	Share premium RM	Accumulated losses RM	Total RM
At 1 April 2011	44,753,400	132,167	(23,194,436)	21,691,131
Total comprehensive income for the financial year	-	-	421,492	421,492
At 31 March 2012/ 1 April 2012	44,753,400	132,167	(22,772,944)	22,112,623
Total comprehensive loss for the financial year	-	-	(703,379)	(703,379)
At 31 March 2013	44,753,400	132,167	(23,476,323)	21,409,244

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

	2013 RM	2012 RM
Cash flows from operating activities		
(Loss)/ Profit before tax	(705,334)	421,492
Adjustments for :		
Bad debts written off	1,031	567
Depreciation of property, plant and equipment	394,966	402,167
Interest expense	227,263	252,913
Gain on unrealised foreign exchange	(152,039)	(59,091)
Dividend income	-	(500,000)
Interest income	(9,753)	(5,232)
Reversal of impairment loss	-	(279,005)
Allowance for impairment loss of investment in a subsidiary	447,410	-
Operating profit before changes in working capital	203,544	233,811
Changes in working capital :		
Receivables, deposits and prepayments	(26,594)	984,791
Payables and accruals	(5,008)	(24,490)
Cash generated from operations	171,942	1,194,112
Tax refund	1,955	-
Net cash from operating activities	173,897	1,194,112
Cash flows from investing activities		
Interest received	9,753	5,232
Additional investment in subsidiaries	-	(447,410)
Purchase of property, plant and equipment	-	(35,657)
Net cash from/ (used in) investing activities	9,753	(477,835)
Cash flows from financing activities		
Interest paid	(227,263)	(252,913)
Repayment of term loan	(230,912)	(216,299)
Net cash used in financing activities	(458,175)	(469,212)
Net (decrease)/ increase in cash and cash equivalents	(274,525)	247,065
Cash and cash equivalents at 1 April	388,453	141,388
Cash and cash equivalents at 31 March (Note 10)	113,928	388,453

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

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at 10th Floor Menara Hap Seng, No.1 & 3 Jalan P. Ramlee, 50250 Kuala Lumpur and the principal place of business of the Company is located at K-09-01, No.2, Jalan Solaris, Solaris Mont' Kiara, 50480 Kuala Lumpur.

The Company is principally engaged as an investment holding company, provision of management services and rental of properties. The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on **23 July 2013**.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the Companies Act, 1965 in Malaysia.

2.2 Basis of measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, unless otherwise indicated in the summary of significant accounting policies.

2.3 Functional and presentation currency

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

2.4 First-time adoption of MFRSs

In the previous years, the financial statements of the Group and the Company were prepared in accordance with Financial Reporting Standards ("FRSs"). These are the Group's and the Company's first financial statements prepared in accordance with MFRSs and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards has been applied.

The explanation and financial impacts on transition to MFRSs are disclosed in Note 30 to the financial statements.

2.5. Standards issued but not yet effective

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the MASB but are not yet effective, and have not been adopted by the Group and the Company.

2. BASIS OF PREPARATION (Cont'd)

2.5. Standards issued but not yet effective (Cont'd)

Management anticipates that all relevant pronouncements will be adopted in the Group's and the Company's accounting policies for the first period beginning after the effective date of pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's and the Company's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Group's and the Company's financial statements.

MFRS 9 Financial Instruments

MFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in MFRS 139 Financial Instruments: Recognition and Measurement. MFRS 9 requires financial assets to be classified into two measurement categories: fair value and amortised cost, determined 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. Most of the requirements for financial liabilities are retained, except for cases where the fair value option is taken, the part of a fair value change due to an entity's own risk is recorded in other comprehensive income rather than profit or loss, unless this creates an accounting mismatch.

The adoption of MFRS 9 will result in a change in accounting policy. The Group and the Company is currently examining the financial impact of adopting MFRS 9.

2.6 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

2.6.1 Estimation uncertainty

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:-

Useful lives of depreciable assets

Property, plant and equipment are depreciated on a straight line basis over their estimated useful lives. Management estimated the useful lives of property, plant and equipment to be within 3 to 52 years and reviews the useful lives of depreciable assets at end of each reporting period. At 31 March 2013 management assesses that the useful lives represent the expected utility of the assets to the Group and the Company. The carrying amounts are analysed in Note 4 to the financial statements. Actual results, however, may vary due to change in the expected level of usage and technological developments, which resulting the adjustment to the Group's and the Company's assets.

2. BASIS OF PREPARATION (Cont'd)

2.6 Significant accounting estimates and judgements (Cont'd)

2.6.1 Estimation uncertainty (Cont'd)

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the times the estimates are made. The Group's core business is subject to economical and technology changes which may cause selling prices to change rapidly, and the Group's profit to change.

The carrying amount of the Group's inventories at the reporting date is disclosed in Note 8 to the financial statements.

Impairment of loans and receivables

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

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

The carrying amount of the Group's and of the Company's receivables and loans at the end of the reporting date are disclosed in Note 7 to the financial statements. If the present value of estimated future flow varies by 1% (2012: 1%) from management estimates, the Group's and the Company's impairment loss of loans and receivables would result in variance by approximately 7% (2012: 8%).

2.6.2 Significant management judgement

Deferred tax assets

The assessment of the probability of future taxable income in which deferred tax assets can be utilised is based on the Group's and the Company's latest approved budget forecast, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the numerous jurisdictions in which the Group operates are also carefully taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

3. SIGNIFICANT ACCOUNTING POLICIES

The Group and the Company apply the significant accounting policies, as summarised below, consistently throughout all periods presented in the financial statements and in preparing their opening MFRS Statements of Financial Position at 1 April 2011 (the transition date to MFRS framework), unless otherwise stated.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.1 Basis of consolidation

The Group financial statements consolidate the audited financial statements of the Company and all of its subsidiaries, which have been prepared in accordance with the Group's accounting policies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group. The financial statements of the Company and its subsidiaries are all drawn up to the same reporting date.

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

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with MFRS 139 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of MFRS 139, it is measured in accordance with the appropriate MFRS.

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

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss.

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds and the Group's share of its net assets together with any unimpaired balance of goodwill on acquisition and exchange differences.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 Goodwill

Goodwill represents the excess of the cost of acquisition and the amount recognised for non-controlling interest over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, associate and jointly controlled entities and at the date of acquisition. If the cost of acquisition is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Goodwill arising on the acquisition of subsidiaries is presented separately in the Statement of Financial Position while goodwill arising on the acquisition of associate is included within the carrying amount of investment in associate.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying values may be impaired.

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

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually and, whenever there is an indication that the unit may be impaired, by comparing the carrying amount of the unit, including goodwill, with the recoverable amount of the unit. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount, an impairment loss is recognised in the profit or loss.

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

3.3 Non-controlling interests

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

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if that results in a deficit balance.

3.4 Subsidiaries

A subsidiary is a company in which the Group or the Company has the power to exercise control over the financial and operating policies so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.4 Subsidiaries (Cont'd)

Investment in subsidiaries, which is eliminated on consolidation is stated at cost in the Company's financial statements. Where and indication of impairment exists, the carrying amount of the subsidiaries is assessed and written down immediately to their recoverable amount. The cost of investments includes transaction costs.

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

3.5 Associates

Associates are entities in which the Group has significant influence, but no control, over their financial and operating policies.

The Group's investments in associates are accounted for using the equity method. Under the equity method, investment in an associate is carried in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The share of the result of an associate is reflected in profit or loss. This is the profit attributable to equity holders of the associate and therefore is the profit after tax and non-controlling interests in the subsidiaries of the associate. When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investment is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

Where there has been a change recognised directly in the equity of an associate, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The financial statements of the associates are prepared as of the same reporting period as the Company. Where necessary, adjustments are made to bring the accounting policies of the associates in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investments in its associates. The Group determines at each end of the reporting period whether there is any objective evidence that the investments in the associate are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associates and their carrying value and recognise the amount in the "share of profit of associates" in profit or loss.

Upon loss of significant influence over an associate, the Group measures and recognises any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognised in profit or loss.

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.6 Property, plant and equipment and depreciation

Property, plant and equipment are initially stated at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group's and the Company's and the cost of the item can be measures reliably. All property, plant and equipment are stated at historical cost less accumulated depreciation and less any impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation of property, plant and equipment is provided on the straight line method in order to write off the cost of each asset over its estimated useful life. No depreciation is provided on freehold land.

Leasehold land is depreciated over the lease period of 30 to 52 years. Other property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:-

Buildings	2%
Building improvement and electrical installation	10%
Plant, machinery, factory equipment and tools	20%
Hotel equipment, furniture, fixtures, club and office equipment	12.5%-33.3%
Motor vehicles	20%

The residual values, useful life and depreciation method are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable, or at least annually 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.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gain or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

3.7 Inventories

Inventories of raw materials and finished goods are value at lower of cost and net realisable value. Cost of raw materials is determined on the weighted average basis.

Cost of finished goods include the cost of materials, direct labour and proportion of the manufacturing overheads.

Net realisable value represents the estimated selling price in the ordinary course of business less all estimates costs to completion and costs to be incurred in marketing, selling and distribution.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.8 Assets acquired under finance lease arrangements

Leases in terms of which the Group or the Company assumes substantially all the risks and rewards of ownership are classified as finance lease. 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 finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the profit or loss. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group and Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leasehold land which in substance is a finance lease is classified as a property, plant and equipment.

3.9 Non-current assets held for sale

Non-current assets comprising assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale.

Classification of the asset as held for sale occurs only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary and the sale must be highly probable. Management must be committed to a plan to sell the assets which are expected to qualify for recognition as a completed sale within one year from the date of classification. Action required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or the plan will be withdrawn.

Immediately before classification as held for sale, the assets are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets are measured at the lower of carrying amount and fair value less costs to sell.

Liabilities are classified as held for sale and presented as such in the Statement of Financial Position. Property, plant and equipment once classified as held for sale are not depreciated.

3.10 Impairment of assets

3.10.1 Non-financial assets

The Group and the Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.10 Impairment of assets (Cont'd)

3.10.1 Non-financial assets (Cont'd)

If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group and the Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of three years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the third year.

Impairment losses, including impairment on inventories, are recognised in the profit or loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

3.10.2 Financial assets

The Group and the Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable date indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.10 Impairment of assets (Cont'd)

3.10.2 Financial assets (Cont'd)

Financial assets carried at amortised cost

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

If any such evidence exists, the amount of impairment loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

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

Unquoted equity securities carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) 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.

3.11 Financial instruments

Financial assets and financial liabilities are recognised when the Group and the Company become a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value. Financial assets and financial liabilities are measured subsequently as described below.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.11 Financial instruments (Cont'd)

3.11.1 Financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

(a) loans and receivables;
(b) financial assets at fair value through profit or loss;
(c) held to maturity investments; and
(d) available-for-sale financial assets.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired or when the financial assets and all substantial risks and rewards are transferred.

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

At the reporting date, the Group and the Company carried only the loans and receivables on their statements of financial position.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. Gains or losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process. The Group's and the Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

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

3.11.2 Financial liabilities

Financial liabilities are recognised when the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

After the initial recognition, financial liability is classified as financial liability at fair value through profit or loss or other financial liabilities measured at amortised cost using the effective interest method.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.11 Financial instruments (Cont'd)

3.11.2 Financial liabilities (Cont'd)

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

Other financial liabilities

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

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group and the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

3.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, banks balances, short term demand deposits and highly liquid investments which are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

3.13 Income tax

3.13.1 Current tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax expenses are the expected amount of income taxes payable in respect of the taxable profit for the financial year and are measured using the tax rates that have been enacted by the reporting period and any adjustment to tax payable in respect of previous years.

3.13.2 Deferred tax

Deferred tax liabilities and assets are provided for under the liability method at the current tax rate in respect of all temporary differences at the reporting date between the carrying amount of an asset or liability in the Statement of Financial Position and its tax base including unabsorbed tax losses and unutilised capital allowances

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

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.13 Income tax (Cont'd)

3.13.2 Deferred tax (Cont'd)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.14 Borrowing costs

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalised as part of the cost of those assets during the period of time that is required to complete and prepare the assets for their intended use.

All other borrowing costs are expensed in the year in which they are incurred.

3.15 Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Any reimbursement that the Group and the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

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

3.16 Foreign currency translations

Foreign currency transactions are translated into the functional currency of the respective Group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year-end exchange rates, whether realised or unrealised, are recognised in profit or loss except for exchange differences arising from monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined. Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.16 Foreign currency translations (cont'd)

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than the RM (the Group's presentation currency) are translated into RM upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into RM at the closing rate at end of each reporting period. Income and expenses have been translated into the Group's presentation currency at the average rate over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the currency translation reserve in equity.

3.17 Revenue recognition

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

3.17.1 <u>Sales of goods</u>

Revenue from sales of goods is measured at fair value of the consideration receive or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risk and rewards of ownership have been transferred to the buyers. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated cost or the possible returns of goods.

3.17.2 <u>Interest income</u>

Interest income is recognised on an accrual basis using the effective interest method.

3.17.3 <u>Rental income</u>

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

3.17.4 <u>Service fee</u>

Service fee is recognised as it accrues.

3.17.5 <u>Insurance commision</u>

Insurance commision is recognised as it accrues.

3.17.6 <u>Service charge</u>

Service charge is recognised as when it accrues over instalment period based on sum-of-digits method. Unearned services charge as at reporting date is deferred to future periods and is deducted from the trade receivables.

3.17.7 <u>Management fees</u>

Management fees is recognised upon rendering services

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.17 Revenue recognition (Cont'd)

3.17.8 Gaming income

Gaming income represents net house takings.

3.17.9 Hotel income

Hotel income is recognised when the relevant services are provided.

3.17.10 Dividend income

Dividend income is recognised when the right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

3.18 Employee benefits

3.18.1 Short-term employee benefits

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

3.18.2 Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group and the Company pay fixed contributions into separate entities of funds and will have no legal or constructive obligation to pay further contribution if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years.

Such contributions are recongised as expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). Some of the Group's foreign subsidiaries also make contributions to their respective countries' statutory pension schemes.

3.19 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and the Company's. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs such that outflow is probable and can be measured reliably, they will then be recognised as a provision.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.20 Equity, reserves and distributions to owners

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

Share capital represents the nominal value of shares that have been issued.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Retained earnings include all current and prior period retained profits.

All transactions with owners of the parent are recorded separately within equity.

3.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified to make strategic decisions. Additional disclosures on each of these segments are shown in Note 25 to the financial statements.

Segment revenues, expenses and result include transfers between segments. The prices charged on intersegment transactions are the same as those charged for similar goods to parties outside of the Group in an arm's length transaction. These transfers are eliminated on consolidation.

3.22 Related parties

A related party is a person or entity that is related to the Group. A related party transaction is a transfer of resources, services or obligations between the Group and its related party, regardless of whether a price is charged.

(a) A person or a close member of that person's family is related to the Group if that person:
  (i) has control or joint control over the Group;
  (ii) has significant influence over the Group; or
  (iii) is a member of the key management personnel of the ultimate holding company of the Group, or the Group.

(b) An entity is related to the Group if any of the following conditions applies:
  (i) The entity and the Group are members of the same group.
  (ii) One entity is an associate or joint venture of the other entity.
  (iii) Both entities are joint ventures of the same third party.
  (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  (v) The entity is a post-employment benefit plan for the benefits of employees of either the Group or an entity related to the Group.
  (vi) The entity is controlled or jointly-controlled by a person identified in (a) above.
  (vii) A person identified in (a)(i) above has significant influence over the Group or is a member of the key management personnel of the entity (or of the parent of the entity).

4. PROPERTY, PLANT AND EQUIPMENT

Group	Note	Freehold land RM	Leasehold land RM	Buildings, building improvement and electrical installation RM	Plant, machinery, factory equipment and tools RM	Hotel equipment, furniture, fixtures, club and office equipment RM	Motor vehicles RM	Total RM
Cost								
1 April 2011		500,000	1,679,216	14,889,932	3,458,187	16,311,702	731,331	37,570,368
Additions		-	-	35,657	1,521	38,069	-	75,247
Disposals		-	-	-	-	(1,699,126)	(169,870)	(1,868,996)
Written off		-	-	-	(8,942)	(26,510)	-	(35,452)
Reclassified as non-current assets held-for-sale	11	(500,000)	-	-	-	-	-	(500,000)
Translation differences		-	10,000	58,238	-	186,573	992	255,803
At 31 March 2012/ 1 April 2012		-	1,689,216	14,983,827	3,450,766	14,810,708	562,453	35,496,970
Additions		-	-	-	24,284	50,394	-	74,678
Disposals		-	-	-	(428,855)	(3,397,530)	-	(3,826,385)
Written off		-	-	-	(710)	(20,595)	-	(21,305)
Translation differences		-	7,250	42,223	-	119,138	720	169,331
At 31 March 2013		-	1,696,466	15,026,050	3,045,485	11,562,115	563,173	31,893,289

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

Group	Note	Freehold land RM	Leasehold land RM	Buildings, building improvement and electrical installation RM	Plant, machinery, factory equipment and tools RM	Hotel equipment, furniture, fixtures, club and office equipment RM	Motor vehicles RM	Total RM
Depreciation and impairment loss								
1 April 2011		-	248,642	2,745,777	3,124,678	13,680,352	515,300	20,314,749
Depreciation for the financial year	20	-	30,609	653,260	80,524	909,171	53,818	1,727,382
Disposals		-	-	-	-	(1,125,361)	(135,896)	(1,261,257)
Written off		-	-	-	(8,915)	(17,409)	-	(26,324)
Translation differences		-	733	20,530	-	159,062	728	181,053
At 31 March 2012/ 1 April 2012								
Accumulated depreciation		-	279,984	3,419,567	3,196,287	7,904,897	433,950	15,234,685
Accumulated impairment loss		-	-	-	-	5,700,918	-	5,700,918
		-	279,984	3,419,567	3,196,287	13,605,815	433,950	20,935,603
Depreciation for the financial year	20	-	30,781	658,361	80,225	697,097	42,949	1,509,413
Disposals		-	-	-	(428,842)	(3,382,893)	-	(3,811,735)
Written off		-	-	-	(686)	(15,231)	-	(15,917)
Translation differences		-	678	19,129	-	114,577	660	135,044
At 31 March 2013								
Accumulated depreciation		-	311,443	4,097,057	2,846,984	5,318,441	477,559	13,051,484
Accumulated impairment loss		-	-	-	-	5,700,924	-	5,700,924
		-	311,443	4,097,057	2,846,984	11,019,365	477,559	18,752,408
Net carrying amounts								
At 31 March 2013		-	1,385,023	10,928,993	198,501	542,750	85,614	13,140,881
At 31 March 2012/ 1 April 2012		-	1,409,232	11,564,260	254,479	1,204,893	128,503	14,561,367
At 1 April 2011		500,000	1,430,574	12,144,155	333,509	2,631,350	216,031	17,255,619

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

Company	Note	Buildings RM	Furniture, fixtures and office equipment RM	Total RM
Cost				
At 1 April 2011		6,579,891	1,429,737	8,009,628
Additions		35,657	-	35,657
Written off		-	(1,700)	(1,700)
At 31 March 2012/ 1 April 2012/ 31 March 2013		6,615,548	1,428,037	8,043,585
Accumulated depreciation				
At 1 April 2011		375,984	768,370	1,144,354
Depreciation for the financial year	20	132,260	269,907	402,167
Written off		-	(1,700)	(1,700)
At 31 March 2012/ 1 April 2012		508,244	1,036,577	1,544,821
Depreciation for the financial year	20	132,311	262,655	394,966
At 31 March 2013		640,555	1,299,232	1,939,787
Net carrying amounts				
At 31 March 2013		5,974,993	128,805	6,103,798
At 31 March 2012/ 1 April 2012		6,107,304	391,460	6,498,764
At 1 April 2011		6,203,907	661,367	6,865,274

(i) ***Assets under finance lease***

Included under property, plant and equipment of the Group is a carrying amount of motor vehicles amounting to RM85,612 (31.3.2012: RM115,828 and 1.4.2011: RM188,512) acquired under finance lease instalment plans.

(ii) ***Security***

The buildings of the Group and of the Company with the carrying amount of RM8,646,939 (31.3.2012: RM8,854,646 and 1.4.2011: RM9,026,645) and RM5,974,993 (31.3.2012: RM6,107,304 and 1.4.2011: RM6,203,907) respectively are pledged for banking facilities (Note 15).

Buildings of the Group amounting to RM2,671,946 (31.3.2012: RM2,747,342 and 1.4.2011: RM2,822,738) pledged for banking facilities were subsequently discharged after year end.

In the current financial year, the management believes that the recoverable amounts of the assets may not be significantly different from their carrying amount, thus no impairment nor reversals of impairment were made during the financial year.

5. INVESTMENTS IN SUBSIDIARIES

	Company 31.3.2013 RM	31.3.2012 RM	1.4.2011 RM
Unquoted shares, at cost	5,708,544	5,708,544	5,261,134
Less : Allowance for impairment loss	(1,733,540)	(1,286,130)	(1,286,130)
	3,975,004	4,422,414	3,975,004

Details of the subsidiaries are as follows:

Name of subsidiaries	Place of incorporation	Equity Ownership interest 31.3.2013	31.3.2012	1.4.2011	Principal activities
Wire Master Spring Sdn. Bhd.	Malaysia	96%	96%	96%	Manufacturing of precision springs
EPA Automation Sdn. Bhd.	Malaysia	100%	100%	100%	Ceased operations
EPA Automation Pte. Ltd. *	Republic of Singapore	100%	100%	100%	Ceased operations
Goldwealth Capital Sdn. Bhd.	Malaysia	100%	100%	100%	Trading in consumer products
GW Premium Capital Sdn.Bhd.	Malaysia	100%	100%	100%	Trading in consumer products and providing financing services
Probusiness Investments Limited	British Virgin Islands	100%	100%	100%	Investment holding and gaming operations
Subsidiaries of Probusiness Investments Limited					
- Ace Unicorn Limited	British Virgin Islands	60%	60%	60%	Gaming operations
- Remarkable Group Limited	British Virgin Islands	50%	50%	50%	Provision of club equipment and management services for gaming operations

5. INVESTMENTS IN SUBSIDIARIES (Cont'd)

Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiaries	Place of incorporation	Equity Ownership interest 31.3.2013	31.3.2012	1.4.2011	Principal activities
Subsidiaries of Probusiness Investments Limited (Cont'd)					
- Enselini International Limited	British Virgin Islands	65%	65%	65%	Ceased operations
- Asia Pacific Winning Limited	British Virgin Islands	100%	100%	100%	Investment holding
Subsidiary of Asia Pacific Winning Limited					
- Lao-Malaysia Investments Group	Republic of Laos	75%	75%	75%	Hotel operations
Subsidiary of Remarkable Group Limited					
- Rich Lee Holdings Sdn. Bhd. * #	Malaysia	100%	100%	100%	Dormant

* Subsidiaries not audited by SJ Grant Thornton

\# The auditors' report of the financial statements of the subsidiary contains emphasis of matter on uncertainties over the subsidiary's ability to continue as a going concern.

6. INVESTMENT IN AN ASSOCIATE

	Group 31.3.2013 RM	31.3.2012 RM	1.4.2011 RM
Unquoted shares outside Malaysia, at cost	1,987,360	1,838,800	60,520
Share of post acquisition loss	(1,987,360)	(1,838,800)	-
	-	-	60,520
Represented by:			
Share of net assets	-	-	60,520

6. INVESTMENT IN AN ASSOCIATE (Cont'd)

Details of the associate are as follows:

Name of associate	Place of incorporation	Equity Ownership interest 31.3.2013	31.3.2012	1.4.2011	Principal activities
Goldshore Capital Limited	British Virgin Islands	36%	40%	40%	Gaming operations

The summarised financial information of the associate is as follows:-

	Group 31.3.2013 RM	31.3.2012 RM	1.4.2011 RM
Assets and liabilities:			
Total assets	14,044,094	11,393,724	4,780,429
Total liabilities	(20,165,492)	(11,789,698)	(4,932,250)
	(6,121,398)	(395,974)	(151,821)
Loss for the financial year	2,125,153	7,836,894	315,092

7. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Note	Group 31.3.2013 RM	31.3.2012 RM	1.4.2011 RM	Company 31.3.2013 RM	31.3.2012 RM	1.4.2011 RM
Non-current							
Trade							
Trade receivables		3,264,106	4,918,996	7,402,597	-	-	-
Less : Unearned service charges		(703,309)	(1,275,591)	(2,219,902)	-	-	-
Total non-current receivables	7.1	2,560,797	3,643,405	5,182,695	-	-	-
Current							
Trade							
Trade receivables		2,712,858	3,532,713	4,660,425	-	-	-
Less : Unearned service charges		(392,009)	(594,211)	(907,932)	-	-	-
		2,320,849	2,938,502	3,752,493	-	-	-
Less : Allowance for impairment loss		(470,367)	(465,906)	(949,379)	-	-	-
	7.1	1,850,482	2,472,596	2,803,114	-	-	-

7. **RECEIVABLES, DEPOSITS AND PREPAYMENTS (Cont'd)**

	Note	Group			Company		
		31.3.2013 RM	31.3.2012 RM	1.4.2011 RM	31.3.2013 RM	31.3.2012 RM	1.4.2011 RM
Non-trade							
Amounts due from subsidiaries		-	-	-	26,827,354	26,150,609	26,733,436
Less : Allowance for impairment loss		-	-	-	(11,308,751)	(11,308,751)	(14,241,793)
	7.2	-	-	-	15,518,603	14,841,858	12,491,643
Dividend receivable		-	-	-	-	500,000	3,000,000
Other receivables	7.3	8,349,692	8,014,632	9,300,339	5,003,220	5,004,111	5,003,220
Deposits		104,832	148,137	145,214	79,052	79,052	76,438
Prepayments		64,220	57,699	72,423	20,140	18,392	19,374
Less : Allowance for impairment loss		(7,606,612)	(7,071,723)	(7,046,578)	(5,000,000)	(5,000,000)	(5,000,000)
		912,132	1,148,745	2,471,398	102,412	601,555	3,099,032
Total current receivables		2,762,614	3,621,341	5,274,512	15,621,015	15,443,413	15,590,675

The movement in allowance for impairment loss in trade receivables is as follows:-

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Brought forward	465,906	949,379	-	-
Impairment loss recognised	8,432	-	-	-
Impairment loss reversed	(8,142)	(489,224)	-	-
Translation differences	4,171	5,751	-	-
Carried forward	470,367	465,906	-	-

The normal trade credit terms granted by the Group to the trade receivables range from 30 to 90 days (31.3.2012 and 1.4.2011: 30 to 90 days).

The impairment loss on trade receivables was reversed during the financial year as a result of subsequent receipts of the amount.

7. RECEIVABLES, DEPOSITS AND PREPAYMENTS (Cont'd)

The movement in allowance for impairment loss in non-trade receivables is as follows:-

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Brought forward	7,071,723	7,046,578	16,308,751	19,241,793
Impairment loss recognised	565,766	50,000	-	-
Impairment loss reversed	(59,822)	(51,568)	-	(279,005)
Translation differences	28,945	26,713	-	(2,654,037)
Carried forward	7,606,612	7,071,723	16,308,751	16,308,751

The impairment loss on non-trade receivables was reversed during the financial year as a result of subsequent receipts of the amounts.

7.1 (i) The trade receivables are expected to be collected as follows:

	Group		
	31.3.2013 RM	31.3.2012 RM	1.4.2011 RM
Within one year	1,850,482	2,472,596	2,803,114
One year to five years	2,301,821	2,668,185	3,176,114
More than five years	258,976	975,220	2,006,581
	2,560,797	3,643,405	5,182,695
	4,411,279	6,116,001	7,985,809

(ii) Analysis of foreign currency exposure for significant receivables

Significant receivables that are not denominated in the functional currency of the Group entities are as follows:

		Group			Company		
		31.3.2013 RM	31.3.2012 RM	1.4.2011 RM	31.3.2013 RM	31.3.2012 RM	1.4.2011 RM
Functional currency	**Foreign currency**						
RM	USD	535,777	612,548	64,388	-	-	-

7.2 Amounts due from subsidiaries

The amounts due from subsidiaries are unsecured, interest free and repayable on demand.

7. RECEIVABLES, DEPOSITS AND PREPAYMENTS (Cont'd)

7.3 Other receivables

(i) Included in other receivables of the Group is an amount of RM2,040,846 (31.3.2012: RM2,022,030 and 1.4.2011: RM2,046,578) being advances to club operators for gaming operations. Allowance for impairment loss of RM2,040,846 (31.3.2012: RM2,021,723 and 1.4.2011: RM2,046,578) has been made as at reporting date.

(ii) Included in other receivables of the Group and of the Company is an amount of RM5,000,000 (31.3.2012 and 1.4.2011: RM5,000,000) respectively due from a third party which is unsecured, interest-free and repayable on demand. Allowance for impairment loss has been fully made as at reporting date.

8. INVENTORIES

	Group		
	31.3.2013 RM	**31.3.2012 RM**	**1.4.2011 RM**
Raw materials	581,939	543,692	546,432
Manufactured inventories	201,084	307,263	248,100
	783,023	850,955	794,532
Recognised in profit and loss:			
Inventories recognised as cost of sales	893,446	1,031,672	974,776
Inventories write-down	18,941	8,485	18,885
Reversal of inventories write-down	(78,782)	-	-

The reversal of inventories written down was made during the year when the related inventories were sold above their carrying amounts.

9. AMOUNT DUE FROM AN ASSOCIATE

	Group		
	31.3.2013 RM	**31.3.2012 RM**	**1.4.2011 RM**
Amount due from an associate	7,481,927	4,517,892	1,439,014
Share of post acquisition loss	(1,912,453)	(1,295,958)	-
	5,569,474	3,221,934	1,439,014

During the financial year, share of post acquisition loss of RM1,912,453 (31.3.2012: RM1,295,958 and 1.4.2011: RMNil) is recognised as the Group has given its undertaking to share the results eventhough it is in excess of its cost of investment.

The amount due from an associate represents advances given which is unsecured, interest free and repayable on demand. The advances were given in proportion to its shareholding in the associate.

10. CASH AND CASH EQUIVALENTS

	Group 31.3.2013 RM	Group 31.3.2012 RM	Group 1.4.2011 RM	Company 31.3.2013 RM	Company 31.3.2012 RM	Company 1.4.2011 RM
Short-term deposits with licensed banks and financial institutions	9,858,416	8,122,472	8,066,847	-	-	-
Fixed deposits with licensed banks and financial institutions	-	-	741,861	-	-	-
	9,858,416	8,122,472	8,808,708	-	-	-
Cash and bank balances	1,282,418	1,316,365	946,448	113,928	388,453	141,388
	11,140,834	9,438,837	9,755,156	113,928	388,453	141,388

Analysis of foreign currency exposure for significant cash and cash equivalents

Significant cash and bank balances that are not denominated in the functional currency of the Group are as follows:

Functional currency	Foreign currency	Group 31.3.2013 RM	Group 31.3.2012 RM	Group 1.4.2011 RM	Company 31.3.2013 RM	Company 31.3.2012 RM	Company 1.4.2011 RM
RM	USD	429,685	329,324	197,906	-	-	-

11. NON-CURRENT ASSETS CLASSIFIED AS HELD-FOR-SALE

The non-current assets classified as held-for-sale are as follows:-

	Group 31.3.2013 RM	Group 31.3.2012 RM	Group 1.4.2011 RM
Property, plant and equipment (Note 4)			
At cost	-	500,000	-
	-	500,000	-

On 30 January 2012, the bank held a Public Auction with a third party for the disposal of a freehold land, which was earlier foreclosed, for a total consideration of RM1,200,000 for the settlement of the outstanding balance for banking facilities granted to a former director. The transaction was completed during the financial year.

12. SHARE CAPITAL

	Group and Company					
	31.3.2013		31.3.2012		1.4.2011	
	Amount RM	Number of shares Unit	Amount RM	Number of shares Unit	Amount RM	Number of shares Unit
Ordinary shares of RM1 each						
Authorised	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000
Issued and fully paid	44,753,400	44,753,400	44,753,400	44,753,400	44,753,400	44,753,400

13. RESERVES

		Group			Company		
	Note	31.3.2013 RM	31.3.2012 RM (restated)	1.4.2011 RM (restated)	31.3.2013 RM	31.3.2012 RM	1.4.2011 RM
Non-distributable							
Share premium	13.1	132,167	132,167	132,167	132,167	132,167	132,167
Exchange fluctuation reserve	13.2	(783,629)	(212,014)	-	-	-	-
		(651,462)	(79,847)	132,167	132,167	132,167	132,167
Accumulated losses		(15,038,336)	(15,854,383)	(14,477,849)	(23,476,323)	(22,772,944)	(23,194,436)
		(15,689,798)	(15,934,230)	(14,345,682)	(23,344,156)	(22,640,777)	(23,062,269)

13.1 Share premium

The share premium account arose from the private placement net of share issue expenses and ESOS exercised in prior years.

13.2 Exchange fluctuation reserve

Exchange fluctuation reserve comprises foreign currency differences arising from the translation of financial statements of foreign operations.

14. NON-CONTROLLING INTEREST

This consists of minority shareholders' proportion of share capital and reserves of subsidiaries.

15. BORROWINGS

	Note	Group 31.3.2013 RM	Group 31.3.2012 RM	Group 1.4.2011 RM	Company 31.3.2013 RM	Company 31.3.2012 RM	Company 1.4.2011 RM
Current							
Term loan - secured	15.3	449,160	449,160	449,160	449,160	449,160	449,610
Finance lease liabilities	15.4	22,000	20,905	63,454	-	-	-
		471,160	470,065	512,614	449,160	449,160	449,610
Non-current							
Term loan - secured	15.3	3,826,016	4,056,928	4,273,227	3,826,016	4,056,928	4,273,227
Finance lease liabilities	15.4	42,167	65,261	93,759	-	-	-
		3,868,183	4,122,189	4,366,986	3,826,016	4,056,928	4,273,227

15.1 Securities

Group/Company

The term loan is secured by the Company's building.

15.2 Interest rate

Group/Company

The term loan is subject to interest rate at 1.50% (31.3.2012 and 1.4.2011: 1.50%) above bank's prevailing 3 months effective cost of fund.

Group

Finance lease liabilities are subject to fixed interest rates of 2.76% (31.3.2012 and 1.4.2011: 2.40% to 3.20%) per annum.

15. BORROWINGS (Cont'd)

15.3 Terms and debt repayment schedule

	Year of maturity	Carrying amount RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	Over 5 years RM
Group						
31.3.2013						
Term loan - secured	2029	4,275,176	449,160	449,160	1,347,480	2,029,376
Finance lease liabilities	2013 - 2016	64,167	22,000	22,000	20,167	-
		4,339,343	471,160	471,160	1,367,647	2,029,376
31.3.2012						
Term loan - secured	2029	4,506,088	449,160	449,160	1,347,480	2,260,288
Finance lease liabilities	2013-2016	86,166	20,905	22,100	43,161	-
		4,592,254	470,065	471,260	1,390,641	2,260,288
1.4.2011						
Term loan - secured	2029	4,722,387	449,160	449,160	1,347,480	2,476,587
Finance lease liabilities	2013-2016	157,213	63,454	29,562	64,197	-
		4,879,600	512,614	478,722	1,411,677	2,476,587
Company						
31.3.2013						
Term loan - secured	2029	4,275,176	449,160	449,160	1,347,480	2,029,376
31.3.2012/ 1.4.2012						
Term loan - secured	2029	4,506,088	449,160	449,160	1,347,480	2,260,288
1.4.2011						
Term loan - secured	2029	4,722,387	449,160	449,160	1,347,480	2,476,587

15. BORROWINGS (Cont'd)

15.4 Finance lease liabilities

Finance lease liabilities are payable as follows:

	31.3.2013			31.3.2012			1.4.2011		
	Repayments RM	Interest RM	Principal RM	Repayments RM	Interest RM	Principal RM	Repayments RM	Interest RM	Principal RM
Group									
Less than 1 year	25,036	3,036	22,000	25,036	4,131	20,905	70,232	6,778	63,454
Between 1 and 5 years	47,986	5,819	42,167	73,022	7,761	65,261	106,309	12,550	93,759
	73,022	8,855	64,167	98,058	11,892	86,166	176,541	19,328	157,213

16. DEFERRED TAXATION

16.1 Deferred tax liabilities

The deferred liabilities as at reporting date are made up of temporary difference arising from:

Group	At 1 April 2011 RM	Recognised in profit or loss RM	At 31 March 2012 RM	Recognised in profit or loss RM	At 31 March 2013 RM
Property, plant and equipment	142,000	-	142,000	(15,183)	126,817
Provisions	(47,000)	-	(47,000)	61,960	14,960
	95,000	-	95,000	46,777	141,777
		Note 21		Note 21	

16.2 Deferred tax assets

No deferred tax assets have been recognised for the following items:

	Group 31.3.2013 RM	31.3.2012 RM	1.4.2011 RM
Unutilised tax losses	(1,859,000)	(1,547,000)	(6,812,000)
Unabsorbed capital allowances	(287,000)	(270,000)	(256,000)
Others	46,000	43,000	-
	(2,100,000)	(1,774,000)	(7,068,000)

	Company 31.3.2013 RM	31.3.2012 RM	1.4.2011 RM
Unutilised tax losses	(1,463,000)	(1,493,000)	(1,972,000)
Unabsorbed capital allowances	(256,000)	(256,000)	(256,000)
Others	-	-	-
	(1,719,000)	(1,749,000)	(2,228,000)

The taxable temporary differences, unabsorbed capital allowances and unutilised tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group and the Company can utilise the benefits.

17. PAYABLES AND ACCRUALS

	Note	Group 31.3.2013 RM	Group 31.3.2012 RM	Group 1.4.2011 RM	Company 31.3.2013 RM	Company 31.3.2012 RM	Company 1.4.2011 RM
Trade							
Trade payables		225,856	140,863	1,326,824	-	-	-
Non-trade							
Other payables	17.1	1,934,118	1,776,072	1,236,733	128,595	121,217	144,660
Accrued expenses		292,036	331,009	1,051,166	730	13,116	14,163
		2,226,154	2,107,081	2,287,899	129,325	134,333	158,823
	17.2	2,452,010	2,247,944	3,614,723	129,325	134,333	158,823

The normal trade credit terms granted by trade payables range from 30 to 90 days (31.3.2012 and 1.4.2011: 30 to 90 days).

17.1 Other payables

Included in other payables of the Group are:

(i) an amount of RMNil (31.3.2012 and 1.4.2011: RM500,000) due to a former Director. The amount is unsecured, interest-free and repayable on demand.

(ii) an amount of RMNil (31.3.2012: RM51,571 and 1.4.2011: RMNil) due to minority shareholders of certain subsidiaries. The amount is unsecured, interest-free and repayable on demand.

17.2 Analysis of foreign currency exposure for significant payables

Significant payables that are not in the functional currencies of the Group entities are as follows:

Functional currency	Foreign currency	Group 31.3.2013 RM	Group 31.3.2012 RM	Group 1.4.2011 RM
RM	USD	625,949	576,181	56,246
RM	Euro	-	-	867,277
RM	SGD	8,742	5,316	8,641
SGD	Euro	-	-	137,167

18. REVENUE

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Sale of goods	4,132,145	4,365,990	-	-
Service charges	618,322	980,047	-	-
Management fees	2,443,560	1,382,686	300,000	300,000
Gaming income	290,843	535,878	-	-
Hotel income	1,587,859	1,318,952	-	-
Rental income	359,064	359,066	470,184	470,186
Dividend income	-	-	-	500,000
	9,431,793	8,942,619	770,184	1,270,186

19. STAFF COSTS

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Salaries, wages and other emoluments	2,554,459	2,608,461	186,638	154,721
Defined contribution plan	186,648	160,461	22,443	19,978
Social security contributions	22,668	21,519	1,534	1,418
Other benefits	42,250	141,789	6,647	5,783
	2,806,025	2,932,230	217,262	181,900

Included in the staff costs is the Directors' remuneration as below:

	Group 2013 RM	Group 2012 RM
Executive Directors:		
Salaries and other emoluments	692,568	678,959
Defined contribution plan	28,040	27,522
Social security contributions	472	443
	721,080	706,924

20. PROFIT/ (LOSS) BEFORE TAX

Profit/ (Loss) before tax is arrived at:

	Note	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
After charging :					
Auditors' remuneration:					
Auditors of the Company					
Current year					
- audit services		68,400	58,400	18,000	18,000
- other services		3,000	3,000	3,000	3,000
- overprovision in prior year		-	(7,054)	-	-
Other auditors					
Current year					
- audit services		800	3,945	-	-
Prior year					
- audit services		2,000	(1,200)	-	-
Inventories write-down		18,941	8,485	-	-
Bad debts written off		1,031	11,332	1,031	567
Depreciation of property, plant and equipment	4	1,509,413	1,727,382	394,966	402,167
Directors' remuneration					
- executive	19	721,080	706,924	-	-
- non-executive		43,000	48,000	43,000	48,000
Impairment loss on					
- third parties		574,198	50,000	-	-
- subsidiaries		-	-	447,410	-
Interest expense					
- finance lease liabilities		3,036	3,789	-	-
- term loan		218,247	232,872	218,247	232,872
- bank overdraft		9,016	20,041	9,016	20,041
- others		10,739	8,197	-	-
Loss on foreign exchange					
- realised		7,878	-	549	13,341
- unrealised		-	9,772	-	-
Operating lease rentals		-	18,485	-	-
Property, plant and equipment written off		5,388	9,128	-	-
Loss on disposal of property, plant and equipment		-	316,641	-	-
and after crediting:					
Gain on disposal of					
- property, plant and equipment		268,439	-	-	-
- non-current assets held for sale		669,975	-	-	-
Gain on foreign exchange					
- realised		-	16,404	-	-
- unrealised		-	-	152,039	59,091
Interest income		596,607	472,063	9,753	5,232
Rental income from:					
- third parties		359,064	359,066	359,064	359,066
- subsidiary		-	-	111,120	111,120
Waiver of debts		-	893,725	-	-
Reversal of impairment loss on receivables		67,964	540,792	-	279,005
Reversal of inventories write-down		78,782	-	-	-

21. TAX EXPENSE/(INCOME)

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Current tax expense				
- Current year	19,711	97,085	-	-
- Overprovision in prior years	(28,966)	(10,894)	(1,955)	-
Total current tax recognised in the profit or loss	(9,255)	86,191	(1,955)	-
Deferred tax expense				
- Current year (Note 16)	42,227	-	-	-
- Underprovision in prior years	4,550	-	-	-
Total deferred tax recognised in the profit or loss	46,777	-	-	-
Total tax expense/(income)	37,522	86,191	(1,955)	-

A reconciliation of income tax expense applicable to profit/(loss) before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:-

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Profit/(Loss) before tax	2,297,069	(970,140)	(705,334)	421,492
Tax calculated using Malaysian tax rate of 25%	574,267	(242,535)	(176,334)	105,373
(Gain)/ Loss of foreign subsidiaries not available for set-off	(712,014)	1,365,759	-	-
Non-deductible expenses	197,985	59,655	183,834	59,377
Non-taxable income	(79,800)	(75,294)	-	(125,000)
Deferred tax assets not recognised	81,500	(1,010,500)	(7,500)	(39,750)
	61,938	97,085	-	-
(Over)/ underprovision in prior years				
- current tax	(28,966)	(10,894)	(1,955)	-
- deferred tax	4,550	-	-	-
Tax expense/(income)	37,522	86,191	(1,955)	-

The unutilised tax losses and unabsorbed capital allowances which can be carried forward to offset against future taxable profit amounted to approximately RM1,859,000 (2012: RM1,547,000) and RM287,000 (2012: RM270,000) for the Group and RM1,463,000 (2012: RM1,493,000) and RM256,000 (2012: RM256,000) for the Company.

However, the above amount is subject to the approval of the Inland Revenue Board of Malaysia.

22. BASIC EARNINGS/ (LOSS) PER ORDINARY SHARE

The basic earnings/(loss) per share has been calculated based on the profit/(loss) attributable to owners of the Company and the weighted average number of shares in issue during the financial year.

	Group	
	2013	**2012**
Earnings/(Loss) attributable to owners of the Company (RM)	816,047	(1,376,534)
Number of ordinary shares in issue	44,753,400	44,753,400

The diluted earnings per share are not presented as there are no dilutive potential ordinary shares.

23. RELATED PARTIES DISCLOSURES

Related party transactions

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

Related parties include the following:

(i) Subsidiaries of the Company

(ii) Directors and key management personnel of the Company

(iii) Machines Sdn. Bhd. ("MSB"), a Company in which a Director is deemed to have substantial financial interest

(iv) Keyspan Express Sdn. Bhd. ("KESB"), a Company in which a Director is deemed to have substantial financial interest

The significant related party transactions of the Group and of the Company, other than those disclosed in the financial statements are as follows:

i) Transactions between the Company and its subsidiaries:

	2013 RM	**2012 RM**
Dividend income	-	500,000
Management fees receivable	300,000	300,000
Rental receivable	111,120	111,120

The balances of amounts due from subsidiaries are disclosed in Note 7 to the financial statements.

23. RELATED PARTIES DISCLOSURES (cont'd)

Related party transactions (Cont'd)

ii) Transactions with companies in which a Director is deemed to have substantial financial interest:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Rental receivable	275,232	275,232	275,232	275,232

Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.

The remuneration of key management personnel is same with the Directors' remuneration as disclosed in Note 19 to the financial statements. The Group and the Company have no other members of key management personnel apart from the Board of Directors.

24. CONTINGENT LIABILITIES

Group

Unsecured

On 6 June 2012, a third party commenced an action against Rich Lee Holdings Sdn Bhd ("RLHSB"), a subsidiary within the Group in respect of a friendly loan amounting to RM1,335,000 purportedly given to RLHSB for investment purposes in 2007. RLHSB was acquired on 10 June 2009 and based on the available records of RLHSB, there is no indication of the existence of such a loan. RLHSB is disputing the claim and the legal suit is currently pending hearing. On 21 June 2013, the Court had dismissed the third party's action against Rich Lee Holdings Sdn Bhd.

On 8 July 2013, the third party filed an appeal against the court's decision.

Company

Unsecured

(i) The Company has undertaken to provide financial support to certain subsidiaries to enable them to continue as a going concern.

25. SEGMENTAL INFORMATION

(i) Business segments

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

Manufacturing	Manufacture of precision springs
Supply	Supply of consumer products
Gaming	Management of gaming operations and provision of club equipment
Hotel	Hotel operations
Others	i) Investment holding
	ii) Provision of management services
	iii) Provision of financing service
	iv) Rental of properties

25. SEGMENTAL INFORMATION – GROUP (Cont'd)

(i) Business segments (Cont'd)

2013	Manufacturing RM	Supply RM	Gaming RM	Hotel RM	Others RM	Eliminations RM	Consolidated RM
Revenue from external customers	4,132,144	618,322	2,734,404	1,587,859	359,064	-	9,431,793
Inter-segment revenue	-	760,000	-	-	411,120	(1,171,120)	-
Total revenue	4,132,144	1,378,322	2,734,404	1,587,859	770,184	(1,171,120)	9,431,793
Result:							
Interest income	6,650	273,707	306,497	-	9,753	-	596,607
Depreciation of property, plant and equipment	(117,503)	(27,037)	(230,881)	(648,251)	(485,741)	-	(1,509,413)
Finance costs	(3,036)	-	-	(10,739)	(227,263)	-	(241,038)
Other non-cash income/(expense) Note (a)	63,874	25,639	401,372	(4,252)	(1,031)	-	485,602
Tax expense	(65,104)	25,627	-	-	1,955	-	(37,522)
Segment profit/(loss)	70,402	(43,510)	5,466,235	(82,705)	(708,166)	(2,442,709)	2,259,547
Assets:-							
Addition to non-current asset Note (b)	33,832	-	72	40,774	-	-	74,678
Unallocated assets							9,938,723
Segment assets	2,492,747	4,154,516	6,262,576	3,451,848	9,737,520	-	26,099,207
Liabilities:-							
Unallocated liabilities							4,339,343
Segment liabilities	484,212	1,347,863	203,849	177,400	380,463	-	2,593,787

25. SEGMENTAL INFORMATION – GROUP (Cont'd)

(i) Business segments (Cont'd)

2012	Manufacturing RM	Supply RM	Gaming RM	Hotel RM	Others RM	Eliminations RM	Consolidated RM
Revenue from external customers	4,365,990	980,047	1,918,564	1,318,952	359,066	-	8,942,619
Inter-segment revenue	-	760,000	-	-	911,120	(1,671,120)	-
Total revenue	4,365,990	1,740,047	1,918,564	1,318,952	1,270,186	(1,671,120)	8,942,619
Result:							
Interest income	8,392	243,972	214,467	-	5,232	-	472,063
Depreciation	(127,389)	(30,312)	(299,677)	(777,062)	(492,942)	-	(1,727,382)
Finance costs	(3,695)	(94)	-	(8,197)	(252,913)	-	(264,899)
Other non-cash income/(expense) Note (a)	19,100	(11,332)	44,919	(356,477)	1,332,949	-	1,029,159
Tax expense	(66,512)	(19,679)	-	-	-	-	(86,191)
Segment profit/(loss)	238,681	197,593	826,483	(768,697)	3,978,167	(5,528,558)	(1,056,331)
Assets:-							
Addition to non-current asset Note (b)	12,861	-	-	26,729	35,657	-	75,247
Unallocated assets							8,170,878
Segment assets	2,542,042	5,330,875	4,724,479	4,026,479	11,091,492	-	27,715,367
Liabilities:-							
Unallocated liabilities							4,592,254
Segment liabilities	289,411	733,190	789,542	148,606	382,195	-	2,342,944

25. SEGMENTAL INFORMATION – GROUP (Cont'd))

(i) Business segments (Cont'd)

Notes:
(a) Other non-cash income/(expense) consist of the following items:-

	2013 RM	2012 RM
Allowance for impairment loss	(574,198)	(50,000)
Inventories write-off	(18,941)	(8,485)
Reversal of inventories write-off	78,782	-
Bad debts written off	(1,031)	(11,332)
Property, plant and equipment written off	(5,388)	(9,128)
Gain/(Loss) on disposal of		
- property, plant and equipment	268,439	(316,641)
- non-current assets held for sale	669,975	-
Reversal on impairment loss	67,964	540,792
Unrealised loss on foreign exchange	-	(9,772)
Waiver of debts	-	893,725
	485,602	1,029,159

(b) Additions to non-current assets consist of:-

	2013 RM	2012 RM
Property, plant and equipment	74,678	75,247

(ii) Geographical segments

Revenues and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Malaysia RM	Cambodia RM	Vietnam RM	Laos RM	Consolidated RM
2013					
Revenue from external customers by location of customers	5,109,530	290,843	2,443,561	1,587,859	9,431,793
Non-current assets	12,446,020	100,844	70,222	3,084,592	15,701,678
Capital expenditure by location of assets	33,832	72	-	40,774	74,678
2012					
Revenue from external customers by location of customers	5,705,103	535,878	1,382,686	1,318,952	8,942,619
Non current assets	14,139,235	154,929	245,880	3,664,728	18,204,772
Capital expenditure by location of assets	48,518	-	-	26,729	75,247

25. SEGMENTAL INFORMATION – GROUP (Cont'd))

(iii) Information about major customers

Revenue from 1 (2012:1) customer amounted to RM615,434 (2012: RM967,660) arising from revenue by the supply segment and no major customer arising from manufacturing, gaming, hotel and others segment.

26. CATEGORIES OF FINANCIAL INSTRUMENTS

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

(a) Loans and receivables (L&R); and
(b) Other liabilities measured at amortised cost (AC);

	Carrying amount RM	L&R RM	AC RM
Group			
31.3.2013			
Financial assets			
Receivables and deposits	5,259,191	5,259,191	-
Amount due from an associate	5,569,474	5,569,474	-
Cash and cash equivalents	11,140,834	11,140,834	-
	21,969,499	21,969,499	-
Financial liabilities			
Payables and accruals	2,452,010	-	2,452,010
Borrowings	4,339,343	-	4,339,343
	6,791,353	-	6,791,353
31.3.2012			
Financial assets			
Receivables and deposits	7,207,047	7,207,047	-
Amount due from an associate	3,221,934	3,221,934	-
Cash and cash equivalents	9,438,837	9,438,837	-
	19,867,818	19,867,818	-
Financial liabilities			
Payables and accruals	2,247,944	-	2,247,944
Borrowings	4,592,254	-	4,592,254
	6,840,198	-	6,840,198

26. CATEGORIES OF FINANCIAL INSTRUMENTS (Cont'd)

The table below provides an analysis of financial instruments categorised as follows:- (Cont'd)

	Carrying amount RM	L&R RM	AC RM
Group (Cont'd)			
1.4.2011			
Financial assets			
Receivables and deposits	10,384,784	10,384,784	-
Amount due from an associate	1,439,014	1,439,014	-
Cash and cash equivalents	9,755,156	9,755,156	-
	21,578,954	21,578,954	-
Financial liabilities			
Payables and accruals	3,614,723	-	3,614,723
Borrowings	4,879,600	-	4,879,600
	8,494,323	-	8,494,323
Company			
31.3.2013			
Financial assets			
Receivables and deposits	15,600,875	15,600,875	-
Cash and cash equivalents	113,928	113,928	-
	15,714,803	15,714,803	-
Financial liabilities			
Payables and accruals	129,325	-	129,325
Borrowings	4,275,176	-	4,275,176
	4,404,501	-	4,404,501
31.3.2012			
Financial assets			
Receivables and deposits	15,425,021	15,425,021	-
Cash and cash equivalents	388,453	388,453	-
	15,813,474	15,813,474	-
Financial liabilities			
Payables and accruals	134,333	-	134,333
Borrowings	4,506,088	-	4,506,088
	4,640,421	-	4,640,421

26. CATEGORIES OF FINANCIAL INSTRUMENTS (Cont'd)

The table below provides an analysis of financial instruments categorised as follows:- (Cont'd)

	Carrying amount RM	L&R RM	AC RM
Company (Cont'd)			
1.4.2011			
Financial assets			
Receivables and deposits	15,571,301	15,571,301	-
Cash and cash equivalents	141,388	141,388	-
	15,712,689	15,712,689	-
Financial liabilities			
Payables and accruals	158,823	-	158,823
Borrowings	4,722,387	-	4,722,387
	4,881,210	-	4,881,210

27. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. Financial risk management policy is established to ensure that adequate resources are available for the development of the Group's and the Company's business whilst managing its credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group and the Company operates within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process.

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows:-

(a) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group's and the Company's exposure to credit risk arises primarily from receivables. It is the Group's and the Company's policy to enter into financial instrument with a diversity of creditworthy counterparties. The Group and the Company do not expect to incur material credit losses of its financial assets or other financial instruments.

The Group's and the Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group and the Company provide services only to recognised and creditworthy third parties. It is the Group's and the Company's policy that all customers who wish to trade on credit terms is subject to credit verifications procedures.

27. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(a) Credit risk (Cont'd)

Following are the areas where the Group and the Company are exposed to credit risk:

(i) Receivables

As at end of the reporting period, the maximum exposure to credit risk arising from receivables is limited to the carrying amounts in the statement of financial position.

With a credit policy in place to ensure the credit risk is monitored on an ongoing basis, management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. The Group uses the ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than credit terms granted are deemed to have higher credit risk, and are monitored individually.

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

	Gross RM	Individually impaired RM	Net RM
31.3.2013			
Not past due	3,744,557	-	3,744,557
Past due for 1-30 days	335,640	-	335,640
Past due for 31-60 days	210,224	-	210,224
Past due for 61-90 days	104,301	-	104,301
Past due for 91-120 days	15,562	-	15,562
Past due for more than 121 days	471,362	(470,367)	995
	4,881,646	(470,367)	4,411,279
31.3.2012			
Not past due	5,251,837	-	5,251,837
Past due for 1-30 days	462,186	-	462,186
Past due for 31-60 days	256,877	-	256,877
Past due for 61-90 days	97,195	-	97,195
Past due for 91-120 days	47,562	(1,905)	45,657
Past due for more than 121 days	466,250	(464,001)	2,249
	6,581,907	(465,906)	6,116,001
1.4.2011			
Not past due	6,902,585	-	6,902,585
Past due for 1-30 days	605,688	-	605,688
Past due for 31-60 days	347,935	-	347,935
Past due for 61-90 days	127,358	(26,930)	100,428
Past due for 91-120 days	46,532	(22,500)	24,032
Past due for more than 121 days	905,090	(899,949)	5,141
	8,935,188	(949,379)	7,985,809

27. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(a) Credit risk (Cont'd)

(i) Receivables (Cont'd)

The net carrying amount of trade receivables is considered a reasonable approximate of fair values. The maximum exposure to credit risk is the carrying value of each class of receivables mentioned above. Trade receivables that are individually determined to be impaired at the reporting date relate to receivables that are in significant difficulties and have defaulted in payments. These receivables are not secured by any collateral or credit enhancements.

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

As at 31 March 2013, trade receivables of RM666,722 (31.3.2012: RM864,164 and 1.4.2011: RM1,083,224) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

In respect of trade receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty other than 76% (31.3.2012: 77% and 1.4.2011: 85%) of trade receivables consist of amount due from one (31.3.2012 and 1.4.2011: one) customer. Trade receivables consist of a large number of customers in various backgrounds. Based on historical information about customer default rates, management considers the credit quality of trade receivables that are not past due or impaired to be good.

(ii) Corporate guarantees

The maximum exposure to credit risk representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

The Company provides financial guarantees to bank in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries. As at the end of the reporting period, there was no indication that any subsidiaries would default on repayment.

The provision of corporate guarantee to financial institution is in consideration of financial facility to the subsidiaries only at the additional credit enhancement. As such the value of the credit enhancement provided by the corporate guarantee is minimal.

(iii) Intercompany balances

The maximum exposure to credit risk is represented by their carrying amounts in the Statement of Financial Position.

The Company provides unsecured advances to subsidiaries and monitors their results regularly.

As at the end of the reporting period, there was no indication that the advances to the subsidiaries and associate are not recoverable.

27. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(b) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due.

In managing its exposures to liquidity risk arises principally from its various payables, loans and borrowings, the Groups maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

The Group aims at maintaining a balance of sufficient cash and deposits and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities from various banks.

Following are the areas where the Group and the Company are exposed to liquidity risk:-

	Total carrying amount RM	Contructual cash flows RM	Within 1 year RM	1 to 2 years RM	2 to 5 years RM	More than 5 years RM
Group						
31.3.2013						
Unsecured:						
Payables and accruals	2,452,010	2,452,010	2,452,010	-	-	-
Finance lease liabilities	64,167	73,022	25,036	25,036	22,950	-
	2,516,177	2,525,032	2,477,046	25,036	22,950	-
Secured:						
Borrowings	4,275,176	6,379,070	449,160	449,160	1,368,840	4,111,910
	6,791,353	8,904,102	2,926,206	474,196	1,391,790	4,111,910
31.3.2012						
Unsecured:						
Payables and accruals	2,247,944	2,247,944	2,247,944	-	-	-
Finance lease liabilities	86,166	98,058	25,036	25,036	47,986	-
	2,334,110	2,346,002	2,272,980	25,036	47,986	-
Secured:						
Borrowings	4,506,088	6,828,230	449,160	449,160	1,368,840	4,561,070
	6,840,198	9,174,232	2,722,140	474,196	1,416,826	4,561,070

27. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(b) Liquidity risk (Cont'd)

Following are the areas where the Group and the Company are exposed to liquidity risk:- (Cont'd)

	Total carrying amount RM	Contructual cash flows RM	Within 1 year RM	1 to 2 years RM	2 to 5 years RM	More than 5 years RM
Group (Cont'd)						
1.4.2011						
Unsecured:						
Payables and accruals	3,614,723	3,614,723	3,614,723	-	-	-
Finance lease liabilities	157,213	176,541	70,232	33,510	72,799	-
	3,771,936	3,791,264	3,684,955	33,510	72,799	-
Secured:						
Borrowings	4,722,387	7,277,390	449,160	449,160	1,368,840	5,010,230
	8,494,323	11,068,654	4,134,115	482,670	1,441,639	5,010,230
Company						
31.3.2013						
Unsecured:						
Payables and accruals	129,325	129,325	129,325	-	-	-
Secured:						
Borrowings	4,275,176	6,379,070	449,160	449,160	1,368,840	4,111,910
	4,404,501	6,508,395	578,485	449,160	1,368,840	4,111,910
31.3.2012						
Unsecured:						
Payables and accruals	134,333	134,333	134,333	-	-	-
Secured:						
Borrowings	4,506,088	6,828,230	449,160	449,160	1,368,840	4,561,070
	4,640,221	6,962,563	583,493	449,160	1,368,840	4,561,070

27. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(b) Liquidity risk (Cont'd)

Following are the areas where the Group and the Company are exposed to liquidity risk:- (Cont'd)

	Total carrying amount RM	Contructual cash flows RM	Within 1 year RM	1 to 2 years RM	2 to 5 years RM	More than 5 years RM
Company (Cont'd)						
1.4.2011						
Unsecured:						
Payables and accruals	158,823	158,823	158,823	-	-	-
Secured:						
Borrowings	4,722,387	7,277,390	449,160	449,160	1,368,840	5,010,230
	4,881,210	7,436,213	607,983	449,160	1,368,840	5,010,230

(c) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

To mitigate the Group's exposure to foreign currency risk, the Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of the Group. The currency giving rise to this risk is primarily US Dollar (USD), Singapore Dollar (SGD) and Euro (EURO).

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows:-

The Group's exposure to foreign currency risk, based on carrying amounts as at the end of the reporting period was:-

	Denominated in		
	USD	SGD	EURO
Group	RM	RM	RM
31.3.2013			
Cash and cash equivalent	429,685	-	-
Trade and other receivables	535,777	-	-
Trade and other payables	(625,949)	(8,742)	-
	339,513	(8,742)	-

27. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(c) Foreign currency risk (Cont'd)

The Group's exposure to foreign currency risk, based on carrying amounts as at the end of the reporting period was:- (Cont'd)

	Denominated in		
	USD	**SGD**	**EURO**
Group (Cont'd)	**RM**	**RM**	**RM**
31.3.2012			
Cash and cash equivalent	329,324	-	-
Trade receivables	612,548	-	-
Trade payables	(576,181)	(5,316)	-
	365,691	(5,316)	-
1.4.2011			
Cash and cash equivalent	197,906	-	-
Trade receivables	64,388	-	-
Trade payables	(56,246)	(8,641)	(1,004,444)
	206,048	(8,641)	(1,004,444)

The following table demonstrates the sensitivity of the Group's profit for the financial year to a reasonably possible change in the USD, SGD and EURO exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

	← Increase/ (Decrease) →	
	Profit/ (Loss) for the year	**Equity**
Group and Company	**RM**	**RM**
31.3.2013		
USD/RM		
- Strengthened 0.20%	675	675
- Weakened 0.20%	(675)	(675)
SGD/RM		
- Strengthened 0.15%	13	13
- Weakened 0.15%	(13)	(13)
31.3.2012		
USD/RM		
- Strengthened 0.33%		
- Weakened 0.33%	925	925
	(925)	(925)
SGD/RM		
- Strengthened 0.07%		
- Weakened 0.07%	4	4
	(4)	(4)

27. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(c) Foreign currency risk (Cont'd)

The following table demonstrates the sensitivity of the Group's profit for the financial year to a reasonably possible change in the USD, SGD and EURO exchange rates against the respective functional currencies of the Group entities, with all other variables held constant. (Cont'd)

	Increase/ (Decrease)	
Group and Company (Cont'd)	**Profit/ (Loss) for the year RM**	**Equity RM**
1.4.2011		
USD/RM		
- Strengthened 0.42%	34	34
- Weakened 0.42%	(34)	(34)
SGD/RM		
- Strengthened 0.25%	21	21
- Weakened 0.25%	(21)	(21)
EURO/RM		
- Strengthened 0.17%	1,725	1,725
- Weakened 0.17%	(1,725)	(1,725)

Exposures to foreign exchange rates vary during the financial year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposures to foreign currency risk.

(d) Interest rate risk

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

The Group's interest rate management objective is to manage the interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group's targets a mix of fixed and floating debt based on assessment of its existing exposure and desired interest rate profile.

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

	Group RM	**Company RM**
31.3.2013		
Fixed rate instruments		
Financial asset		
Short-term deposits with licensed banks and financial institutions	9,858,416	-
Trade receivables	3,370,030	-
	13,228,446	-

27. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(d) Interest rate risk (Cont'd)

The interest rate profile of the Group's significant interest bearing financial instruments based on the carrying amounts as at the end of the reporting period were as follows:- (Cont'd)

	Group RM	Company RM
31.3.2013 (Cont'd)		
Fixed rate instruments (Cont'd)		
Financial liability		
Finance lease liability	64,167	-
Floating rate instrument		
Financial liability		
Bank borrowings	4,275,176	4,275,176
Fixed rate instruments		
Financial assets		
Short-term deposits with licensed banks and financial institutions	8,122,472	-
Trade receivables	4,728,341	-
	12,850,813	-
Financial liability		
Finance lease liabilities	86,166	-
Floating rate instrument		
Financial liability		
Bank borrowings	4,506,088	4,506,088
1.4.2011		
Fixed rate instruments		
Financial assets		
Short-term deposits with licensed banks and financial institutions	8,066,847	-
Fixed deposits with licensed banks	741,861	-
Trade receivables	6,848,707	-
	15,657,415	-
Financial liability		
Finance lease liabilities	157,213	-
Floating rate instrument		
Financial liability		
Bank borrowings	4,722,387	4,722,387

27. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(d) Interest rate risk (cont'd)

The Group does not account for any fixed rate financial assets and liabilities through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rate at the reporting date would not affect profit or loss.

The following table illustrates the sensitivity of profit and equity to a reasonable possible change in interest rates of +/- 50 basis point ("bp"). These changes considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Group			
	Profit/ (Loss) for the year		Equity	
	RM +50 bp	RM -50 bp	RM +50 bp	RM -50 bp
31.3.2013	(21,376)	21,376	(21,376)	21,376
31.3.2012	(22,530)	22,530	(22,530)	22,530
1.4.2011	(23,612)	23,612	(23,612)	23,612

(e) Fair values

The carrying amounts of short term receivables and payable, cash and cash equivalents and short term borrowings approximate their fair value due to the relatively short term nature of these financial instruments and insignificant impact of discounting.

It was not practicable to estimate the fair value of the Group's and Company's investment in unquoted shares due to the lack of comparable quoted prices in active market. In addition, it is impracticable to use valuation technique to estimate the fair value reliably as a result of significant variability in the inputs of the valuation technique. The Group and the Company does not intend to dispose of this investment in the near future and intends to eventually dispose of this investment through sale to capital venture company.

The carrying amount and estimated fair value of the Group's and of the Company's financial liabilities are as follows:

The Group and the Company	Note	Carrying amount 2013 RM	Carrying amount 2012 RM	Fair value 2013 RM	Fair value 2012 RM
Financial liabilities					
Term loan-secured	15	4,275,176	4,506,088	3,337,544	3,473,622
Finance lease liabilities	15	64,167	86,166	60,796	78,361

27. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(e) Fair values (Cont'd)

Term loan and finance lease liabilities

The fair values are estimated using discounted cash flow analysis based on the current borrowing rates for similar types of borrowing arrangements.

28. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and financially prudent capital ratios in order to support its current business as well as future expansion so as to maximise shareholder value.

The Group and the Company manage this capital structure and make adjustments to it, in light of changes in economic conditions including the interest rate movements. To maintain and adjust the capital structure, the Group and the Company may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

29. MATERIAL LITIGATIONS

The material litigations of the Group are as below:

The Company's subsidiary, Remarkable Group Limited ("RGL") has initiated a legal suit against Viet Star (formerly known as Amara Saigon Hotel Co. Ltd) ("the hotel owner") requesting for compensation and fullfilment of a management contract entered by the subsidiary and the hotel owner. The hotel owner has illegally blocked and prevented the club from operating since July 2007 and has yet to return the operation and the assets, which they have seized from the subsidiary. The compensation claimed by the subsidiary approximate to USD3,907,300 (RM11,823,490) for the damage due to the loss of destruction of the subsidiary's assets and business losses from the closure of the club operation.

In addition, on 5 and 8 February 2012, Rich Lee Holdings Sdn Bhd ("RLHSB") and RGL had filed separate petitions against Viet Star seeking damages approximate to USD13,383,000 (RM40,496,958) and USD9,476,000 (RM28,674,376) respectively for the unlawful closure of RGL's club.

The hotel owner had lodged their counter claims against RLHSB, requesting for compensation of USD11,420,822 (RM34,559,407) which consists of unpaid rent, foreign contractor tax, additional corporate income tax and business losses up to November 2012.

In the previous financial year, the lawsuit by RLHSB against the hotel owner has been permanently withdrawn. Subsequently, RGL's lawsuit against the hotel owner has also been permanently withdrawn during the year.

30. EXPLANATION OF TRANSITION TO MFRSs

As stated in Note 2.4 to the financial statements, these are the first financial statements of the Group and of the Company prepared in accordance with MFRSs.

The accounting policies set out in Note 3 have been applied in preparing the financial statements of the Group and of the Company for the financial year ended 31 March 2013, the comparative information presented in these financial statements for the financial year ended 31 March 2012 and in the preparation of the opening MFRS statement of financial position at 1 April 2011 (the Group's date of transition to MFRSs).

The transition to MFRSs does not have financial impact to the separate financial statements of the Company.

In preparing the opening consolidated statement of financial position at 1 April 2011, the Group has adjusted amounts reported previously in financial statements prepared in accordance with previous FRSs. The transition from previous FRSs to MFRSs has affected the Group's financial position are set out as follows:

(a) Foreign currency translation differences

Under FRSs, the Group recognised foreign currency translation differences in other comprehensive income and accumulated the amount in the foreign currency translation reserve in equity.

Upon transition to MFRSs, the Group has elected to deem all foreign currency translation differences that arose prior to the date of transition in respect of all foreign operations to be nil at the date of transition.

The impact arising from the change is summarised as follows:

31.3.2012	**FRSs RM**	**Effect of transition to MFRSs RM**	**MFRSs RM**
Consolidated Statement of Financial Position			
Reserves			
Exchange fluctuation reserve	(894,666)	682,652	(212,014)
Accumulated losses	(15,171,731)	(682,652)	(15,854,383)
1.4.2011			
Reserves			
Exchange fluctuation reserve	(682,652)	682,652	-
Accumulated losses	(13,795,197)	(682,652)	(14,477,849)

The breakdown of accumulated loss as at the reporting date that has been prepared by the Directors in accordance with the directives from Bursa Malaysia Securities Berhad stated above and Guidance on Special Matter No. 1 issued on 20 December 2010 by the Malaysian Institute of Accountants are as follows:-

	2013 RM	2012 RM (restated)
Group		
Total accumulated losses of the Group:		
- Realised	(40,777,977)	(45,916,333)
- Unrealised	141,777	(104,772)
	(40,636,200)	(46,021,105)
Total accumulated losses from the associate		
- Realised	(765,055)	(3,134,758)
	(41,401,255)	(49,155,863)
Consolidation adjustment	26,362,919	33,301,480
Total Group accumulated losses as per consolidated financial statements	(15,038,336)	(15,854,383)
Company		
Total accumulated losses of the Company:		
- Realised	(23,628,362)	(22,832,035)
- Unrealised	152,039	59,091
Total accumulated losses as per financial statements	(23,476,323)	(22,772,944)

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 applied for any other purposes.

The above disclosure was approved by the Board of Directors in accordance with a resolution of the Directors on 23 July 2013.

STATEMENT BY DIRECTORS

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

In the opinion of the Directors, the financial statements set out on pages 35 to 97 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2013 and of their financial performance and cash flows for the financial year then ended.

In the opinion of the Directors, the information set out on page 98 has been compiled in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

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

…………………………………………..
TAN SRI DATO' CHENG JOO TEIK

…………………………………………..
KONG SIN SENG
Kuala Lumpur
23 July 2013

STATUTORY DECLARATION

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

I, **Kong Sin Seng**, being the Director primarily responsible for the financial management of Widetech (Malaysia) Berhad, do solemnly and sincerely declare that the financial statements set out on pages 35 to 97 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory this day of 23 July 2013.

……………………………………….
KONG SIN SENG

Before me:

Report on the Financial Statements

We have audited the financial statements of Widetech (Malaysia) Berhad, which comprise Statements of Financial Position as at 31 March 2013 of the Group and of the Company, and Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 35 to 97.

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 Malaysian Financial Reporting Standards, International 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 Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2013 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International 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 of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the accounts and the auditors' reports of all the subsidiaries of which we have not acted as auditors, as disclosed in Note 5 to the financial statements.

(c) 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.

(d) The 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 98 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other matters

1. As stated in Note 2.4 to the financial statements, Widetech (Malaysia) Berhad adopted Malaysian Financial Reporting Standards on 1 April 2012 with a transition date of 1 April 2011. These standards were applied retrospectively by Directors to the comparative information in these financial statements, including the Statements of Financial Position as at 31 March 2012 and 1 April 2011, and the Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows for the financial year ended 31 March 2012 and related disclosures. We were not engaged to report on the comparative information, and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Group and of the Company for the financial year ended 31 March 2013 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 April 2012 do not contain misstatements that materially affect these audited financial statements.

2. 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.

SJ GRANT THORNTON
(NO. AF: 0737)
CHARTERED ACCOUNTANTS

NG CHEE HOONG
(NO: 2278/10/14(J))
CHARTERED ACCOUNTANT

Kuala Lumpur
23 July 2013

Location	Tenure	Land Area / Gross Floor Area	Description Approx. Age, of Building & Year of Acquisition	Net Book Value as at 31 March 2013 (RM'000)
A. REGISTERED OWNER: WIDETECH (MALAYSIA) BERHAD				
K-09-01 to K-09-02 Block K, No. 2 Jalan Solaris Solaris Mont' Kiara Kuala Lumpur Wilayah Persekutuan	Freehold	K-09-01: 963.2 square metres K-09-02: 787.6 square metres	Office Units 5 years 2008/2009	5,975
B. REGISTERED OWNER: WIRE MASTER SPRING SDN BHD				
Plot 51 (A) Phase 1 Bukit Minyak Industrial Park, Mukim 13 District of Province Wellesley Central Penang	Leasehold -60 years Expiring 2056	2.00 acres	2 storey factory 15 years 2004	4,020

Authorised Share Capital	:	RM150,000,000
Issued and Paid-up Share Capital	:	RM 44,753,400
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	1 vote per ordinary shareholder on a show of hands 1 vote per ordinary share on a poll
Number of Shareholders	:	860

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	39	4.53	1,788	0.00
100 to 1,000	305	35.47	255,653	0.57
1,001 to10,000	376	43.72	1,442,523	3.22
10,001 to 100,000	99	11.51	3,061,800	6.84
100,001 to 2,237,669	37	4.30	22,232,832	49.69
2,237,670 and above	4	0.47	17,758,804	39.68
Total	**860**	**100.00**	**44,753,400**	**100.00**

SUBSTANTIAL SHAREHOLDERS

	Name	Direct		Indirect	
		No. of Shares	%	No. of Shares	%
1.	Distinct Rich Sdn Bhd	8,030,652	17.94	-	-
2.	Lim Hian Yu Sdn Bhd	5,529,200	12.35	-	-
3.	Gain Millen Sdn Bhd	4,198,952	9.38	-	-
4.	Dato' Tan Ting Wong	-	-	8,030,652[1]	17.94
5.	Datuk Chu Sui Kiong	737,736	1.65	8,030,652[1]	17.94
6.	Tan Sri Dato' Cheng Joo Teik	200,000	0.45	4,198,952[2]	9.38

Notes:

1 Deemed interest through Distinct Rich Sdn Bhd
2 Deemed interest through Gain Millen Sdn Bhd

DIRECTORS' SHAREHOLDINGS

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Loh Suan Phang	2,011,300	4.49	-	-
Tan Sri Dato' Cheng Joo Teik	200,000	0.45	5,758,852[2]	12.87
Datuk Chu Sui Kiong	737,736	1.65	8,030,652[1]	17.94
Dato' Lim Kim Huat	-	-	-	-
Kong Sin Seng	-	-	-	-
Dato' Tan Ting Wong	-	-	8,030,652[1]	17.94
Lee Yoke Shue	-	-	-	-
Dato' Zakaria Bin Mohammed	-	-	-	-
Datuk Ng Bee Ken	-	-	-	-

Notes:

1 Deemed interest through Distinct Rich Sdn Bhd

2 Deemed interest through Gain Millen Sdn Bhd and the shares held by his son, Dato' Douglas Cheng Heng Lee in accordance with Section 134(12)(c) of the Companies Act, 1965

DIRECTORS' SHAREHOLDINGS IN RELATED CORPORATIONS

Name	Direct		Indirect	
	No. of Shares held in Related Corporation	%	No. of Shares held in Related Corporation	%
Tan Sri Dato' Cheng Joo Teik				
Wire Master Spring Sdn Bhd	1	@	-	-
Datuk Chu Sui Kiong*				
Wire Master Spring Sdn Bhd#	-	-	1,439,998	96.00
Ace Unicorn Limited^	-	-	3	60.00
Remarkable Group Limited^	-	-	1	50.00
Enselini International Limited^	-	-	65	65.00
Lao-Malaysia Investments Group^	-	-	750,000	75.00
Dato' Tan Ting Wong*				
Wire Master Spring Sdn Bhd#	-	-	1,439,998	96.00
Ace Unicorn Limited^	-	-	3	60.00
Remarkable Group Limited^	-	-	1	50.00
Enselini International Limited^	-	-	65	65.00
Lao-Malaysia Investments Group^	-	-	750,000	75.00

Notes:

* Deemed interested by virtue of Section 6A of the Companies Act, 1965 to the extent Widetech (Malaysia) Berhad has interests

\# Ordinary Shares of RM1.00 each

^ Shares of USD1.00 each

@ Negligible

LIST OF 30 LARGEST SHAREHOLDERS

No.	Names	No. of Shares	%
1.	Lim Hian Yu Sdn Bhd	5,529,200	12.35
2.	Distinct Rich Sdn Bhd	5,019,768	11.22
3.	Gain Millen Sdn Bhd	4,198,952	9.38
4.	Distinct Rich Sdn Bhd	3,010,884	6.73
5.	Actual Ace Sdn Bhd	2,007,664	4.49
6.	Chua Seng Yong	1,838,900	4.11
7.	HSBC Nominees (Asing) Sdn Bhd Exempt An for Credit Suisse (SG BR-TST-ASING)	1,729,300	3.86
8.	HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Loh Suan Phang (CCTS)	1,592,300	3.56
9.	CIMB Group Nominees (Asing) Sdn Bhd Snowshill Securities Limited	1,282,800	2.87
10.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Douglas Cheng Heng Lee	1,000,000	2.23
11.	Lim Heok Chye	967,962	2.16
12.	Alicia E Fen	827,032	1.85
13.	Chiew Kok Boo	752,400	1.68
14.	Ho Kok Meng	738,909	1.65
15.	Chin Seok Yin	723,500	1.62
16.	Cimsec Nominees (Tempatan) Sdn Bhd On Yat Securities (Malaysia) Sdn Bhd	710,000	1.59
17.	Lim Suh Hua @ Lim Yak Hua	611,588	1.37
18.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Douglas Cheng Heng Lee	556,900	1.24
19.	Tan Meng Chuen	552,796	1.24
20.	Lee Soon Soo	552,200	1.23
21.	Ling Hee Leong	517,236	1.16
22.	Chu Sui Kiong	517,236	1.16
23.	Loh Suan Phang	419,000	0.94
24.	Teh Tiew Leong	413,514	0.92
25.	Kenneth Tan Keng Han	352,600	0.79
26.	Lim Chee Kiat	317,800	0.71
27.	Abul Hasan Bin Mohamed Rashid	315,000	0.70
28.	Hiew Vun Kee	309,796	0.69
29.	Ng Lai Chiek	305,800	0.68
30.	Goh Mo Looi	296,000	0.66
	Total	**37,967,037**	**84.84**

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PROXY FORM

WIDETECH (MALAYSIA) BERHAD
(113939-U)

NO. OF SHARES HELD
CDS ACCOUNT NO.

I/We ____
(BLOCK LETTERS)

of ____

being a member(s) of **WIDETECH (MALAYSIA) BERHAD** (113939-U), hereby appoint ____________________

____________________ of ____________________

____________________ or *THE CHAIRMAN OF THE MEETING or failing him/her, ____________________

____________________ of ____________________

____________________ as my/our proxy, to vote for me/us and on my/our behalf at the Twenty-Ninth Annual General Meeting of the Company to be held at Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on **Monday, 30 September 2013** at **2.30 p.m.**, or at any adjournment thereof.

* If you wish to appoint other person(s) to be your proxy(ies), kindly delete the words "The Chairman of the Meeting or failing him/her" and insert the name(s) of the person(s) desired.

Mark either box if you wish to direct the proxy how to vote. If no mark is made, the proxy may vote on the resolution or abstain from voting as the proxy thinks fit. If you appoint two proxies and wish them to vote differently, this should be specified.

My/our proxy/proxies is/are to vote as indicated below:

Ordinary Resolutions		For	Against
1	Re-election of Mr Kong Sin Seng as Director		
2	Re-election of Tan Sri Dato' Cheng Joo Teik as Director		
3	Re-election of Dato' Tan Ting Wong as Director		
4	Re-appointment of Dato' Zakaria Bin Mohammed as Director		
5	Re-appointment of Messrs SJ Grant Thornton as Auditors of the Company and to authorise the Directors to fix their remuneration		
6	Authority to Directors to issue shares pursuant to Section 132D of the Companies Act, 1965		

Dated this __________ day of ____________ 2013

____
Signature/Common Seal of Shareholder

NOTES:

1. A member entitled to attend and vote at the meeting may appoint another person as his proxy to attend and vote in his stead. A proxy may but need not be a member of the Company. If the proxy is not a member, he need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies. However, his attendance at the general meeting shall automatically revoke the proxy's authority.
2. A member shall be entitled to appoint more than one proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportions of his holdings to be represented by each proxy. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. If no name is inserted in the space provided for the name of your proxy, the Chairman of the meeting will act as your proxy.
5. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 10th Floor, Menara Hap Seng, No. 1 & 3 Jalan P. Ramlee, 50250 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
6. If the appointor is a corporation, the instrument appointing a proxy must be executed under its Common Seal or under the hand of its attorney.

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The Company Secretaries

WIDETECH (MALAYSIA) BERHAD (113939-U)
10th Floor Menara Hap Seng
No. 1 & 3 Jalan P. Ramlee
50250 Kuala Lumpur

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