

**ANNUAL
REPORT**
2015

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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

Tan Sri Datuk Chu Sui Kiong

Executive Director

Loh Suan Phang

Executive Director

Tan Boon Seng

Executive Director

Appointed on 25 November 2014

Datuk Ng Bee Ken

Independent Non-Executive Director

Lee Yoke Shue

Independent Non-Executive Director

Dato' Lim Sin Khong

Independent Non-Executive Director

AUDIT COMMITTEE

Datuk Ng Bee Ken

Chairman of Audit Committee,
Independent Non-Executive Director

Dato' Lim Sin Khong

Independent Non-Executive Director

Lee Yoke Shue

Independent Non-Executive Director

SECRETARIES

Lim Seck Wah (MAICSA 0799845)

Tang Chi Hoe (Kevin) (MAICSA 7045754)

REGISTERED OFFICE

Level 15-2 Bangunan Faber Imperial Court

Jalan Sultan Ismail

50250 Kuala Lumpur

Tel No : 603.2692.4271

Fax No : 603.2732.5388 / 5399

SHARE REGISTRAR

Mega Corporate Services Sdn Bhd

Level 15-2 Bangunan Faber 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, Faber Imperial Court

Jalan Sultan Ismail

50250 Kuala Lumpur

PRINCIPAL BANKERS

CIMB Bank Berhad

Maybank Berhad

Public Bank Berhad

STOCK EXCHANGE LISTING

Main Market

Bursa Malaysia Securities Berhad

Stock Name : WIDETEC

Stock Code : 7692

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-First Annual General Meeting of the Company will be held at Dewan Perdana 1, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Monday, 28 September 2015 at 10.30 a.m. for the following purposes:

AGENDA

1. To table the Audited Financial Statements for the financial year ended 31 March 2015 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) Dato' Lim Kim Huat **Ordinary Resolution 1**
 - (ii) Datuk Ng Bee Ken **Ordinary Resolution 2**
 - (iii) Mr. Kong Sin Seng **Ordinary Resolution 3**
3. To re-elect Mr. Tan Boon Seng, the Director retiring pursuant to Article 129 of the Articles of Association of the Company. **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

LIM SECK WAH (MAICSA 0799845)
TANG CHI HOE (KEVIN) (MAICSA 7045754)

COMPANY SECRETARIES

27 August 2015
Kuala Lumpur

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

NOTES:

- A. This Agenda item is meant for discussion only as the provision in the Company's Articles of Association does not require a formal approval of the shareholders and hence, is not put forward for voting.
1. For the purpose of determining a member who shall be entitled to attend, speak and vote at the Thirty-First Annual General Meeting, the Company shall be requesting the Record of Depositors as at 21 September 2015. Only a depositor whose name appears on the Record of Depositors as at 21 September 2015 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.
 2. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. A member may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy in a poll and the first named proxy shall be entitled to vote on a show of hands.
 3. Where a member is an authorised nominee as defined under the Central Depositories Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
 4. 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 authorized nominee may appoint in respect of each omnibus account it holds.
 5. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be executed under its Common Seal or under the hand of an officer or attorney of the corporation duly authorised.
 6. The Form of Proxy shall be deposited at the Registered Office of the Company at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.
 7. 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 submission to the authority 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 further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of borrowings and/or acquisitions.

CHAIRMAN'S STATEMENT

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 2015.

Financial Performance

For the financial year under review, the Group recorded revenue of RM10.204 million, down RM0.433 million from RM10.638 million in FY 2014. This is primarily attributable to the lower performance of the manufacturing division.

Overall, the Group registered an improved pre-tax profit of RM3.055 million as opposed to a pre-tax loss of RM3.042 million in FY 2014. The significant losses in FY 2014 was mainly attributable to the closure of our associated company's casino operation in Kathmandu, Nepal, due to unfavourable new casino regulations imposed by the Nepalese government, which eventually lead to the closure of all gaming outlets in the country in April 2014. Against this backdrop of uncertainty, both the Group and our associated company have prudently made one-off provisions and impairments in our respective accounts in FY 2014.

Despite the challenging operating environment in Nepal, our electronic gaming outlets in Nepal which were closed in April 2014, re-opened in August 2014 and move on to provide the Group with a share of profit in our associated company of RM0.080 million, compared with a share of loss of RM4.558 million in FY 2014.

The gaming operation in Vietnam continued to perform well with revenue of RM3.604 million and a pre-tax profit of RM3.054 million. However, we regret to inform you that the Vietnam operation had ceased on 15 April 2015 upon expiry of our Management and Lease Agreement with the Hotel.

The gaming operation in Cambodia posted an improved revenue of RM0.485 million and a pre-tax profit of RM0.219 million, against a revenue of RM0.209 million and a pre-tax loss of RM0.265 million in FY 2014.

The manufacturing division however recorded lower revenue of RM4.079 million and pre-tax profit of RM0.579 million, compared to RM4.661 million and RM0.826 million respectively in FY 2014. Its performance was affected by reduced sales order from one of its major customers whose customers are affected by the recent Russian financial crisis.

As expected, contributions from our consumer goods financing business continued to decline due to repayments and early settlements of customers' loans. This division registered revenue of RM0.272 million and a pre-tax profit of RM0.001 million, against a revenue of RM0.391 million and a pre-tax loss of RM0.252 million in FY 2014.

Amidst stiff competition from up and coming new hotels, our hotel operations in Laos recorded a lower revenue. This division posted a revenue of RM1.406 million and a pre-tax loss of RM0.239 million, compared with its FY 2014's revenue of RM1.541 million and a pre-tax loss of RM0.074 million respectively.

Brief Description of the Industry Trend and Development

Moving forward, the Board expected another year of continued challenging business and operating environment, with increased market competition coupled with escalating costs from inflationary pressure and the weakening of the ringgit.

Nevertheless, the Board will strive to continue cautiously to pursue and exploit any viable new business opportunities as they arise to further enhance shareholders' value.

CHAIRMAN'S STATEMENT (Cont'd)

Prospects and Outlook

The gaming operation in Cambodia is expected to continue to contribute positively to the earnings of the Group.

In view of the challenges faced by the gaming industry in Nepal, our Group will remain resilient and expect our gaming outlets to continue to contribute positively to the earnings of the Group.

Amidst escalating raw material costs arising from the weakening ringgit, the manufacturing division will be more vigilant in its focus on costs reduction and improving operational efficiencies to ensure a satisfactory financial result for the coming year.

With increased competition, we will strive to continue to upgrade and maintain the quality of our hotel to enable us to remain attractive and maintain our position as one of the preferred hotels in the district where we operate.

We are also continuously looking for new businesses to improve the earning of the Group.

Corporate Social Responsibility

The Group continues to uphold its commitment towards its CSR.

We recognise that our staff are our key assets and acknowledge their contributions to the success and growth of the Group. We strive to maintain a conducive, safe and healthy work place for them in our business premises.

We take responsibility for the environment that we operate in. Our manufacturing division is ISO 14001:2004 compliant. We remain committed to enhance our environmental best practices to mitigate any negative impact on the environment and conform to environmental laws and regulations.

The recent devastating earthquake in Nepal has created tremendous suffering. Together with our business partners and staff in Nepal, we have made contributions in the form of cash donations and mobilised a team of staff to purchase and distribute tents, food and medicine supplies to the affected families in the rural areas.

All staffs are encouraged to provide support to various charitable organisations by way of donations for the underprivileged.

Dividend

The Board does not recommend any dividend for the financial year ended 31 March 2015.

Acknowledgements

On behalf of the Board, we welcomed Mr. Tan Boon Seng to the Board, as an Executive Director.

I would like to thank my fellow Board Members, the Management and staff at all levels for their contribution, dedication and valued commitment 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 continued support and confidence extended to the Group.

Dato' Lim Kim Huat
Executive Chairman

Kuala Lumpur

PROFILE OF DIRECTORS

DATO' LIM KIM HUAT

Malaysian, Aged 55
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 59
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.

PROFILE OF DIRECTORS (Cont'd)

TAN SRI DATUK CHU SUI KIONG

Malaysian, Aged 56
Executive Director

Tan Sri 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.

Tan Sri Datuk Chu, a business entrepreneur, is involved in Property Development. He is currently the Owner and Executive Chairman of Jesselton Waterfront Holdings Sdn. Bhd. and Kudat Golf & Marina Resort Hotel.

TAN SRI DATO' CHENG JOO TEIK

Malaysian, Aged 69
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.

LOH SUAN PHANG

Malaysian, Aged 55
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 30 years of experience in the senior management of food and leisure corporation.

PROFILE OF DIRECTORS (Cont'd)

TAN BOON SENG

Malaysian, Aged 33
Executive Director

Mr Tan Boon Seng was appointed to the Board on 25 November 2014.

He holds a BSc in Finance, Marshall School of Business, University of Southern California, USA, 2005.

Mr Tan joined AmlInvestment Bank Berhad as an Analyst in Investment Banking from 2006 to 2007. In 2007, he joined Maybank Investment Bank Berhad as a Senior Analyst in Corporate and Investment Banking until 2009. He joined Malayan Banking Berhad and was appointed as an Assistant Vice President in Corporate Banking until 2010. Currently, he holds the position as Chairman in Dragon-I Restaurant Sdn. Bhd. and Canton-I Sdn. Bhd. respectively.

He also holds directorship in Lone Pine Resorts Berhad and Purerich Realty Berhad.

DATUK NG BEE KEN

Malaysian, Aged 60
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 Transform Berhad, Opensys (M) Berhad and Yong Tai Berhad as an Independent Non-Executive Director.

He is also the local representative Independent Non-Executive Director of Glencor Recycling Inc. (Malaysia) Sdn. Bhd. whose parent company is listed in London, Hong Kong and Johannesburg. Glencore is one of the world largest global diversified natural resource companies and a major producer and marketer of more than 90 commodities.

PROFILE OF DIRECTORS (Cont'd)

LEE YOKE SHUE

Malaysian, Aged 60

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 effective on 1 July 2010. He is a member of the Audit Committee and Nomination 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.

DATO' LIM SIN KHONG

Malaysian, aged 66

Independent Non-Executive Director

Dato' Lim Sin Khong was appointed to the Board on 8 May 2014. He is the Chairman of the Nomination and Remuneration Committee and a member of the Audit Committee.

Dato' Lim holds a Diploma in Business Studies, United Kingdom and has more than 25 years of experience in various businesses ranging from trading, manufacturing, investment, leisure and recreation industry.

Dato' Lim was a director of a public listed company. He is also very active in community and charitable activities and currently sits on the board and committee of several non-profit making organisations.

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 except for Tan Boon Seng who is the son of Dato' Tan Ting Wong, a major shareholder 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 of Board Meetings during the financial year ended 31 March 2015 are disclosed on page 20 of this Annual Report.

AUDIT COMMITTEE 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 2015.

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

Lee Yoke Shue - Independent Non-Executive Director

Dato' Lim Sin Khong - Independent Non-Executive Director

The Audit Committee met six (6) times during the financial year ended 31 March 2015 and the details of attendance of the Audit Committee are as follows:

Name of Director	Attendance
Datuk Ng Bee Ken	6/6
Lee Yoke Shue	6/6
Dato' Lim Sin Khong	5/6

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.

AUDIT COMMITTEE REPORT (Cont'd)

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.

AUDIT COMMITTEE REPORT (Cont'd)

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 2015, 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 plan, the internal audit report and the recommendations arising from the reviews conducted by the outsourced internal auditor.
- (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 2015, the Group's internal audit function was outsourced to an independent professional firm to review and improve its existing internal control process and to assist in 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.

CORPORATE GOVERNANCE STATEMENT

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 to 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 Directors, led by the CEO, is responsible for the implementation of the policies laid down and execute the decision-making.

The role of Management is to support the Executive Directors 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 from 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 direct access to the 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:

CORPORATE GOVERNANCE STATEMENT (Cont'd)

(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, with the assistance from the internal audit, advises the Board to beef up the internal control system through a check and balance and highlighted on the high risk register faced by the Group and the adequacy of risk monitoring and control throughout the organisation. The AC reviews the action plan implemented and makes relevant recommendations to the Board to manage risks and improve the internal control system.

(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.

(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.

In the opinion of the Board, the appointment of a Senior Independent Non-Executive Director to whom any concerns should be conveyed is not necessary. The board operates in an open environment in which opinions and information are freely exchanged and in these circumstances any concerns need not be focused on a single director as all members of the Board fulfil this role individually and collectively.

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 at 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 Company Secretary

The Board is regularly updated and apprised by the Company Secretary on new regulation or change in the Act, issued by the regulatory authorities. The Company Secretary is a MAICSA member, experienced and competent on statutory and regulatory requirements.

The Company Secretary attends all Board and committee meetings and ensures that all 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 Nomination Committee ("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.

CORPORATE GOVERNANCE STATEMENT (Cont'd)

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 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 integrity and ethics, governance, strategic perspective, adding value, judgment and decision-making, teamwork, communication and commitment.

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

Currently, the Company does not have a policy on boardroom diversity but believes in providing equal opportunity based on merit.

2.3 Remuneration Policies and Procedures

Remuneration Committee ("RC")

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 from decisions in respect of their remuneration.

CORPORATE GOVERNANCE STATEMENT (Cont'd)

Details of the Directors' remuneration for the financial year ended 31 March 2015 are as follows:

	Basic Salary	Fees	Bonus	Allowance	Total
Executive Directors	201,690	-	-	460,157	661,847
Non-Executive Directors	-	-	-	35,000	35,000
Total	201,690	-	-	495,157	696,847

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	1	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. 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.

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

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.

3.3 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.

3.4 Composition of the Board

The Board currently comprises nine (9) members, of whom, six (6) are Executive Directors (including the Executive Chairman) and three (3) are Independent Non-Executive Directors. The profiles 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 31/03/2015)
Dato' Lim Kim Huat	4/5
Kong Sin Seng	5/5
Tan Sri Datuk Chu Sui Kiong	4/5
Tan Sri Dato' Cheng Joo Teik	4/5
Loh Suan Phang	4/5
Tan Boon Seng <i>(Appointed on 25 November 2014)</i>	2/5
Dato' Tan Ting Wong <i>(Resigned on 25 November 2014)</i>	3/5
Datuk Ng Bee Ken	5/5
Lee Yoke Shue	5/5
Dato' Lim Sin Khong	4/5

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 2015, 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) Salient Features of GST
- ii) GST impact on Construction Industry
- iii) GST impact on Manufacturing Industry
- iv) Accounting for GST
- v) Preparation for GST
- vi) GST impact on Property Development Industry
- vii) GST in-house seminar
- viii) Risk Management and Internal Control Workshop
- ix) Risk Based Approach in Managing ML/TF Risks

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 page 24 of this Annual Report provides the overview of the internal control framework adopted by the Company during the financial year ended 31 March 2015.

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 attend, vote and speak at general meetings.

8.2 Encourage poll voting

All the resolutions set out in the Notice of the last AGM were put to vote by show of hands and were duly passed.

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

The outcome of the AGM will be announced to Bursa on the same meeting day.

8.3 Effective communication and proactive engagement

At the 30th 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 strives to ensure that the Company complies with Principles and Best Practise of the Code. The Board will endeavour to improve and enhance the Procedures from time to time.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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, during the financial year ended 31 March 2015. 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 recognises and affirms its overall responsibility to oversee that effective systems of risk management and internal control are in place to safeguard the shareholders’ interests and the Group’s assets. 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.

In view of the 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 to achieve the Group’s corporate objectives or goals. Accordingly, 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 outsourced its internal audit function 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 2015, the internal audit function carried out an internal audit review on a subsidiary focusing on the adequacy of Costing Function and Sales and Marketing. 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.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

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. Scheduled periodic 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 continuous compliance and enhancement of quality management system.

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 2015 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 13 August 2015.

ADDITIONAL COMPLIANCE INFORMATION

1. Share Buy-Back

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

2. Depository Receipt ("DR") Programme

The Company did not sponsor any DR 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 2015 amounted to RM4,000.00.

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 2015 and the unaudited results previously announced.

8. Profit Guarantee

There was no profit guarantee received 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 at the end of the financial year ended 31 March 2015.

10. Utilisation of Proceeds

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

In Respect Of The Audited Financial Statements

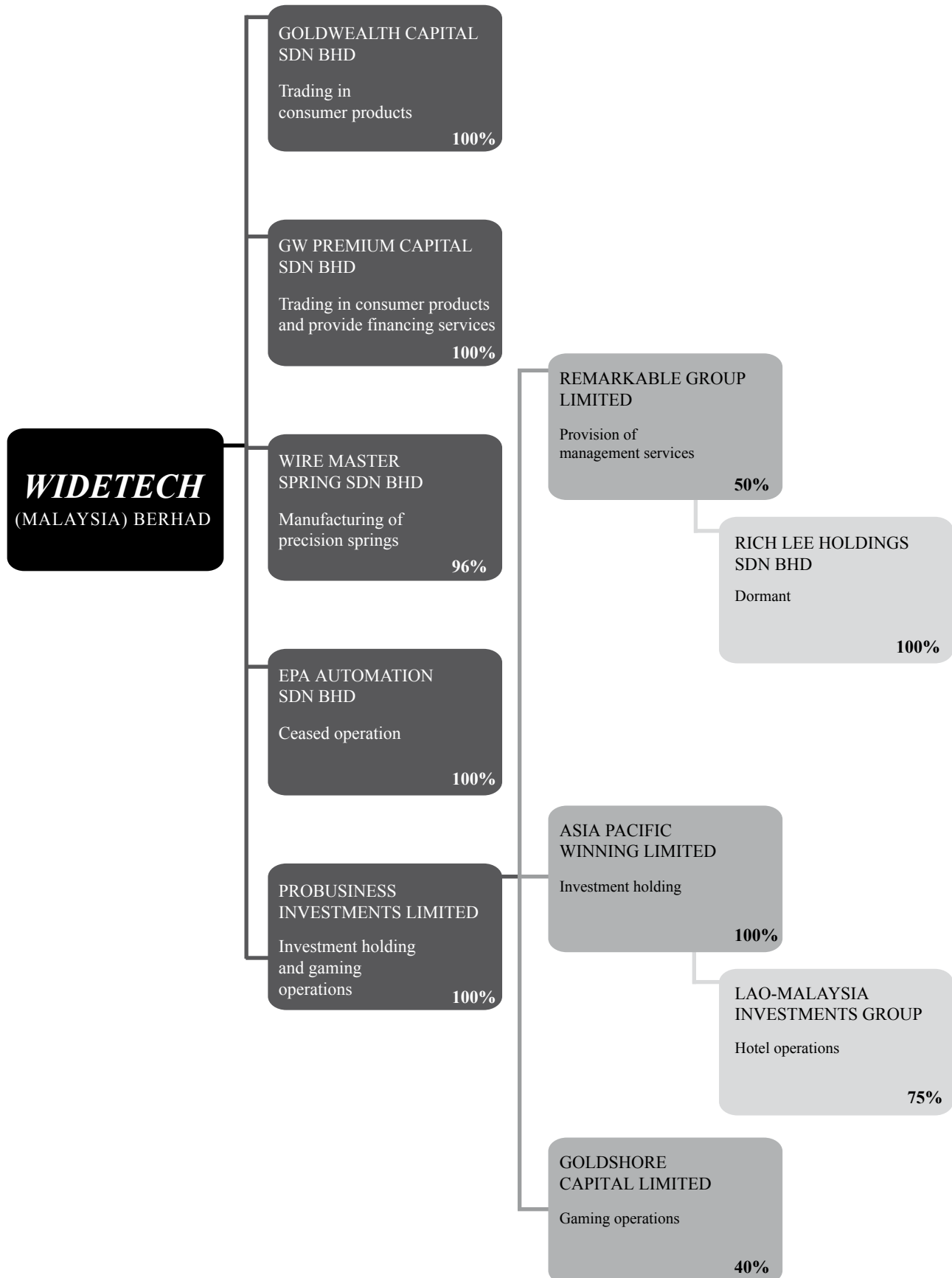
The Directors are required to prepare the financial statements that give a true and fair view of the state of affairs of the Company and of the Group at the end of each financial year and of the results and cashflow for that year. The financial statements must be prepared in compliance with the Companies Act, 1965 in Malaysia 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 2015, 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 the 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 in Malaysia. 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.

CORPORATE STRUCTURE



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DIRECTORS' REPORT

for the financial year ended 31 March 2015

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2015.

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.

Financial results

	Group RM	Company RM
Profit for the financial year attributable to :		
Owners of the Company	3,148,145	2,486,776
Non-controlling interest	(192,651)	-
	<hr/> 2,955,494	<hr/> 2,486,776

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 declared or paid by the Company since the end of the previous financial year. 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
Tan Sri Datuk Chu Sui Kiong
Tan Sri Dato' Cheng Joo Teik
Loh Suan Phang
Kong Sin Seng
Datuk Ng Bee Ken
Lee Yoke Shue
Dato' Lim Sin Khong (appointed on 08 May 2014)
Tan Boon Seng (appointed on 25 November 2014)
Dato' Tan Ting Wong (resigned on 25 November 2014)

DIRECTORS' REPORT

for the financial year ended 31 March 2015 (Cont'd)

Directors' interests

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 1.4.2014/At date of appointment*	Bought	(Sold)	Balance at 31.3.2015
The Company				
<i><u>Direct interest</u></i>				
Tan Sri Dato' Cheng Joo Teik				
- own	200,000	-	-	200,000
- others @	1,559,900	-	-	1,559,900
Tan Sri Datuk Chu Sui Kiong	737,736	-	-	737,736
Loh Suan Phang	2,011,300	-	-	2,011,300
Dato' Lim Sin Khong	413,514*	-	-	413,514
Tan Boon Seng	827,032*	-	-	827,032

Indirect interest

Tan Sri Dato' Cheng Joo Teik	4,198,952	-	-	4,198,952
Tan Sri Datuk Chu Sui Kiong	8,030,652	-	-	8,030,652
Dato' Lim Sin Khong	413,514*	-	-	413,514

	Ordinary shares of RM1 each			Balance at 31.3.2015
	Balance at 1.4.2014	Bought	(Sold)	
Subsidiaries				

Direct interest

Tan Sri Dato' Cheng Joo Teik				
- Wire Master Spring Sdn. Bhd.				
- own	1	-	-	1

Indirect interest

Tan Sri Datuk Chu Sui Kiong				
- Wire Master Spring Sdn. Bhd.	1,439,998	-	-	1,439,998

DIRECTORS' REPORT

for the financial year ended 31 March 2015 (Cont'd)

Directors' interests (Cont'd)

	Ordinary shares of USD1 each			
	Balance at 1.4.2014	Bought	(Written off)	Balance at 31.3.2015
<i>Indirect interest</i>				
Tan Sri Datuk Chu Sui Kiong				
- Remarkable Group Limited	1	-	-	1
- Enselini International Limited	65	-	(65)	-
- Lao-Malaysia Investments Group	750,000	-	-	750,000

^(a) 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, Tan Sri Dato' Cheng Joo Teik and Tan Sri Datuk Chu Sui Kiong 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 2015 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 18 and 19 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 22 to the financial statements.

Issue of shares and debentures

There were no changes in authorised, issued and paid up capital of the Company.

There were no debentures issued 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.

DIRECTORS' REPORT

for the financial year ended 31 March 2015 (Cont'd)

Other statutory information

Before the financial statements 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 amounts written off for bad debts or the amount of the 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.

DIRECTORS' REPORT
for the financial year ended 31 March 2015 (Cont'd)

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)	
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.....)	
KONG SIN SENG)	

Kuala Lumpur
29 July 2015

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 March 2015

	Note	2015 RM	2014 RM
ASSETS			
Non-current assets			
Property, plant and equipment	4	11,779,604	12,343,855
Investment in an associate	6	-	-
Receivables, deposits and prepayments	7	1,111,895	1,667,995
Deferred tax assets	8	463,085	491,534
Total non-current assets		13,354,584	14,503,384
Current asset			
Inventories	9	805,041	861,572
Receivables, deposits and prepayments	7	3,251,328	3,401,132
Amount due from an associate	10	2,465,583	986,150
Tax recoverable		17,706	3,892
Cash and cash equivalents	11	16,533,498	13,042,883
Total current assets		23,073,156	18,295,629
Total assets		36,427,740	32,799,013
EQUITY AND LIABILITIES			
EQUITY			
Share capital	12	44,753,400	44,753,400
Reserves	13	(15,607,038)	(20,738,882)
Total equity attributable to owners of the Company		29,146,362	24,014,518
Non-controlling interest	14	(151,471)	1,880,129
Total equity		28,994,891	25,894,647
LIABILITIES			
Non-current liabilities			
Borrowings	15	3,527,378	3,800,129
Total non-current liabilities		3,527,378	3,800,129
Current liabilities			
Payables and accruals	16	3,619,178	2,802,678
Borrowings	15	286,293	276,369
Tax payable		-	25,190
Total current liabilities		3,905,471	3,104,237
Total liabilities		7,432,849	6,904,366
Total equity and liabilities		36,427,740	32,799,013

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the financial year ended 31 March 2015

	Note	2015 RM	2014 RM
Revenue	17	10,204,435	10,637,643
Changes in manufactured inventories		(17,400)	70,260
Raw materials and consumables used		(1,233,123)	(1,685,974)
Staff costs	18	(2,965,844)	(2,868,896)
Depreciation of property, plant and equipment	4	(999,971)	(1,091,162)
Operating expenses		(2,326,781)	(6,258,350)
Finance costs		(218,402)	(221,005)
Other operating income		532,922	2,934,095
Operating profit		2,975,836	1,516,611
Share of profit/ (loss) on associate		79,549	(4,558,291)
Profit/ (Loss) before tax	19	3,055,385	(3,041,680)
Tax (expense)/ Income	20	(99,891)	566,030
Profit/ (Loss) for the financial year		2,955,494	(2,475,650)
Other comprehensive income/(loss)			
Item that will be reclassified subsequently to profit or loss			
- Exchange translation differences		1,912,911	929,919
Total comprehensive income/ (loss) for the financial year		4,868,405	(1,545,731)
Profit/ (Loss) for the financial year attributable to:-			
Owners of the Company		3,148,145	(6,114,292)
Non-controlling interest		(192,651)	3,638,642
Profit/ (Loss) for the financial year		2,955,494	(2,475,650)
Total comprehensive income/ (loss) attributable to:-			
Owners of the Company		5,131,844	(5,049,084)
Non-controlling interest		(263,439)	3,503,353
Profit/ (Loss) for the financial year		4,868,405	(1,545,731)
Basic earnings/ (loss) per ordinary share (sen)	21	7.03	(13.66)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the financial year ended 31 March 2015

	Attributable to owners of the Company					
	← Non-distributable		→			
	Share capital RM	Share premium RM	Exchange fluctuation reserve RM	Accumulated losses RM	Total RM	Non-controlling interest RM
	Share capital RM	Share premium RM	Exchange fluctuation reserve RM	Accumulated losses RM	Total RM	Non-controlling interest RM
At 1 April 2013	44,753,400	132,167	(783,629)	(15,038,336)	29,063,602	41,198
Dividend paid to non-controlling interest	-	-	-	-	-	(1,664,422)
Total comprehensive loss for the financial year	-	-	1,065,208	(6,114,292)	(5,049,084)	3,503,353
At 31 March 2014/ 1 April 2014	44,753,400	132,167	281,579	(21,152,628)	24,014,518	1,880,129
Dividend paid to non-controlling interest	-	-	-	-	-	(1,768,161)
Total comprehensive income for the financial year	-	-	1,983,699	3,148,145	5,131,844	(263,439)
At 31 March 2015	44,753,400	132,167	2,265,278	(18,004,483)	29,146,362	(151,471)
						28,994,891

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

CONSOLIDATED STATEMENT OF CASH FLOWS

for the financial year ended 31 March 2015

	2015 RM	2014 RM
Cash flows from operating activities		
Profit/ (Loss) before tax	3,055,385	(3,041,680)
Adjustments for :		
Impairment loss on receivables	8,673	-
Impairment loss on amount due from an associate	-	1,038,521
Inventories write-down	-	24,024
Bad debts written off	3,773	191,488
Depreciation of property, plant and equipment	999,971	1,091,162
Fair value adjustment on trade receivables recognised in profit or loss	(22,386)	143,535
Interest expense	218,402	221,005
Property, plant and equipment written off	291	1,618
Share of result of associate	(79,549)	4,558,291
Interest income	(383,447)	(287,689)
Reversal of impairment loss	-	(2,452,813)
Reversal of inventories write-down	(29,365)	(14,705)
Unrealised gain on foreign exchange	(4,876)	-
Waiver of debts	-	(3,713,106)
Operating profit/ (loss) before changes in working capital	3,766,872	(2,240,349)
Changes in working capital :		
Associate	(1,399,884)	(1,013,488)
Inventories	85,896	(87,867)
Payables and accruals	816,500	350,668
Receivables, deposits and prepayments	2,267,108	6,847,380
Cash generated from operations	5,536,492	3,856,344
Tax (paid)/ refund	(110,446)	34,324
Net cash from operating activities	5,426,046	3,890,668

CONSOLIDATED STATEMENT OF CASH FLOWS

for the financial year ended 31 March 2015 (Cont'd)

	2015 RM	2014 RM
Cash flows from investing activities		
Interest received	383,447	287,689
Purchase of property, plant and equipment	(69,488)	(128,036)
Net cash from investing activities	313,959	159,653
Cash flows from financing activities		
Dividend paid to non-controlling interest	(1,768,161)	(1,664,422)
Repayment of finance lease liabilities	(22,000)	(22,000)
Repayment of term loans	(240,827)	(240,845)
Interest paid	(218,402)	(221,005)
Net cash used in financing activities	(2,249,390)	(2,148,272)
Net increase in cash and cash equivalents	3,490,615	1,902,049
Cash and cash equivalents at 1 April	13,042,883	11,140,834
Cash and cash equivalents at 31 March (Note 11)	<u>16,533,498</u>	<u>13,042,883</u>

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

STATEMENT OF FINANCIAL POSITION

as at 31 March 2015

	Note	2015 RM	2014 RM
ASSETS			
Non-current assets			
Property, plant and equipment	4	5,713,070	5,846,120
Investments in subsidiaries	5	3,975,004	3,975,004
Total non-current assets		9,688,074	9,821,124
Current assets			
Receivables, deposits and prepayments	7	12,096,191	9,399,391
Cash and cash equivalents	11	476,010	403,358
Total current assets		12,572,201	9,802,749
Total assets		22,260,275	19,623,873
EQUITY AND LIABILITIES			
EQUITY			
Share capital	12	44,753,400	44,753,400
Reserves	13	(26,807,677)	(29,294,453)
Total equity		17,945,723	15,458,947
LIABILITIES			
Non-current liability			
Borrowings	15	3,527,378	3,779,962
Total non-current liability		3,527,378	3,779,962
Current liabilities			
Payables and accruals	16	521,048	130,595
Borrowings	15	266,126	254,369
Total current liabilities		787,174	384,964
Total liabilities		4,314,552	4,164,926
Total equity and liabilities		22,260,275	19,623,873

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the financial year ended 31 March 2015

	Note	2015 RM	2014 RM
Revenue	17	659,064	770,184
Staff costs	18	(258,310)	(239,787)
Depreciation of property, plant and equipment	4	(133,680)	(260,828)
Operating expenses		(354,885)	(7,738,857)
Other operating income		2,782,919	1,675,095
Finance costs		(208,332)	(208,315)
Profit/(Loss) before tax	19	2,486,776	(6,002,508)
Tax income	20	-	52,211
Profit/ (Loss) for the financial year		<u>2,486,776</u>	<u>(5,950,297)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income/ (loss) for the financial year		<u>2,486,776</u>	<u>(5,950,297)</u>

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

STATEMENT OF CHANGES IN EQUITY

for the financial year ended 31 March 2015

	Share capital RM	Share premium RM	←Non-distributable→ Accumulated losses RM	Total RM
At 1 April 2013	44,753,400	132,167	(23,476,323)	21,409,244
Total comprehensive loss for the financial year	-	-	(5,950,297)	(5,950,297)
At 31 March 2014/ 1 April 2014	44,753,400	132,167	(29,426,620)	15,458,947
Total comprehensive income for the financial year	-	-	2,486,776	2,486,776
At 31 March 2015	44,753,400	132,167	(26,939,844)	17,945,723

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

STATEMENT OF CASH FLOWS

for the financial year ended 31 March 2015

	2015 RM	2014 RM
Cash flows from operating activities		
Profit/ (Loss) before tax	2,486,776	(6,002,508)
Adjustments for :		
Bad debts written off	-	1,975
Depreciation of property, plant and equipment	133,680	260,828
Interest expense	208,332	208,315
Unrealised gain on foreign exchange	(2,730,169)	(1,202,149)
Interest income	(9,238)	(7,406)
Impairment loss on amount due from a subsidiary	-	6,912,899
Operating profit before changes in working capital	89,381	171,954
Changes in working capital :		
Receivables, deposits and prepayments	33,369	508,898
Payables and accruals	390,453	1,271
Cash generated from operations	513,203	682,123
Tax refunded	-	52,211
Net cash from operating activities	513,203	734,334
Cash flows from investing activities		
Interest received	9,238	7,406
Purchase of property, plant and equipment	(630)	(3,150)
Net cash from investing activities	8,608	4,256
Cash flows from financing activities		
Interest paid	(208,332)	(208,315)
Repayment of term loans	(240,827)	(240,845)
Net cash used in financing activities	(449,159)	(449,160)
Net increase/ (decrease) in cash and cash equivalents	72,652	289,430
Cash and cash equivalents at 1 April	403,358	113,928
Cash and cash equivalents at 31 March (Note 11)	476,010	403,358

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 Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 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 **29 July 2015**.

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 requirements of 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.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial market takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:

2. BASIS OF PREPARATION (CONT'D)

2.2 Basis of measurement (cont'd)

Level 1	-	Quoted (adjusted) market prices in active markets for identical assets
Level 2	-	Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
Level 3	-	Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

2.3 Functional and presentation currency

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

2.4 Adoption of Amendments and IC Interpretations ("IC Int")

The Group and the Company have consistently applied the accounting policies set out in Note 3 to the financial statements to all periods presented in these financial statements.

At the beginning of the current financial year, the Group and the Company adopted amendments to MFRS, and IC Int which are mandatory for the financial period beginning on or after 1 April 2014.

Initial application of the amendments to the standards and IC Int did not have material impact to financial statements.

2.5 Standards issued but not yet effective

The Group and the Company have not applied the following new standards and amendments to standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the Group and the Company:

Amendments to MFRSs effective 1 July 2014:

Amendments to MFRS 119 Employee Benefits: Defined Benefit Plan – Employee Contributions

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

2.5 Standards issued but not yet effective (cont'd)

The Group and the Company have not applied the following new standards and amendments to standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the Group and the Company (cont'd):

Annual Improvements to MFRSs 2010-2012 Cycle, including the amendments to:

MFRS 2	Share-based Payment Definition of vesting condition
MFRS 3	Business Combination: Accounting for contingent consideration in a business combination
MFRS 8	Operating Segments: Aggregation of operating segments
MFRS 8	Operating Segments: Reconciliation of the total of the reportable segments assets to the entity's assets
MFRS 13	Fair Value Measurement: Short-term receivables and payables
MFRS 116	Property, Plant and Equipment and MFRS 137 Intangible Assets: Revaluation method- proportionate restatement of accumulated depreciation
MFRS 124	Related Party Disclosures: Key Management Personnel

Annual improvements to MFRSs 2011-2013 Cycle, including the amendments to:

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards: Meaning of "Effective MFRSs"
MFRS 3	Business Combinations: Scope exceptions for joint ventures
MFRS 13	Fair Value Measurement: Scope of paragraph 52 (portfolio exception)
MFRS 140	Investment Property: Clarifying the interrelationship between MFRS 3 and MFRS 140 when classifying property as investment property or owner-occupied property.

MFRS and Amendments to MFRSs effective 1 January 2016:

MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 10	Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures: Sale or contribution of assets between an investor and its associate or joint-venture
Amendments to MFRS 10	Consolidated Financial Statements[?], MFRS 12 Disclosure of Interest in Other Entities and MFRS 128 Investments in Associates and Joint Ventures: Investment Entities-Appling the Consolidation Exception
Amendments to MFRS 11	Joint Arrangements: Accounting for acquisitions of interests in joint operations
Amendments to MFRS 101	Presentation of Financial Statements: Disclosure Initiative
Amendments to MFRS 116	Property, Plant and Equipment and MFRS 138 Intangible Assets: Clarification of acceptable methods of depreciation and amortisation
Amendments to MFRS 116	Property, Plant and Equipment and MFRS 141 Agriculture: Agriculture-Bearer Plants
Amendments to MFRS 127	Consolidated and Separate Financial Statements: Equity Method in Separate Financial Statements

Annual Improvements to MFRSs 2012-2014 Cycle, including the amendments to:

MFRS 5	Non-current Assets Held for Sale and Discontinued Operations: Changes in methods of disposal
MFRS 7	Financial Instruments – Disclosures: Servicing contracts
MFRS 7	Financial Instruments – Disclosures: Applicability of the amendments to MFRS 7 to condensed interim financial statements

2. BASIS OF PREPARATION (CONT'D)

2.5 Standards issued but not yet effective (cont'd)

The Group and the Company have not applied the following new standards and amendments to standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the Group and the Company (cont'd):

Annual Improvements to MFRSs 2012-2014 Cycle, including the amendments to (cont'd):

MFRS 119	Employee Benefits: Discount rate – regional market issue
MFRS 134	Interim Financial Reporting: Disclosures of information "elsewhere in the interim financial report"

MFRS effective 1 January 2017:

MFRS 15	Revenue from Contracts with Customers
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MFRS and Amendments to MFRS effective 1 January 2018:

MFRS 9	Financial Instruments (IFRS 9 Issued by IASB in July 2014)
Amendments to MFRS 7	Financial Instruments – Disclosures: Mandatory effective date of MFRS 9 and transitional disclosures

MFRS 1, 2, 5, 11, 13, 14, 119, 134 and 140 are not applicable to the Group's operation.

MFRS 1, 2, 3, 5, 8, 10, 11, 13, 14, 119, 127, 134 and 140 are not applicable to the Company's operation.

The initial application of the above standards, amendments and interpretation are not expected to have any financial impacts to the financial statements, except for:

MFRS 9 Financial Instruments

MFRS 9 is issued during the financial year, which reflects all phases of the financial instruments project and replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous version of MFRS 9. The new standard introduces extensive requirements and guidance for classification and measurement of financial assets and financial liabilities which fall under the scope of MFRS 9, new "expected credit loss model" under the impairment of financial assets and greater flexibility has been allowed in hedge accounting transactions.

The Group and the Company are currently examining the financial impact of adopting MFRS 9.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 presents new requirements for the recognition of revenue, replacing the guidance of MFRS 111 Construction Contracts, MFRS 118 Revenue, IC Int 13 Customer Loyalty Programmes, IC Int 15 Agreements for Construction of Real Estate, IC Int 18 Transfers of Assets from Customers and IC Int 131 Revenue – Barter Transaction Involving Advertising Services. The principles in MFRS 15 provide a more structured approach to measuring and recognising revenue. It establishes a new five-step model that will apply to revenue arising from contracts with customers. Under MFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group and the Company are currently assessing the impact of MFRS 15 and plans to adopt the new standards on the required effective date.

2. BASIS OF PREPARATION (CONT'D)

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 2015, 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.

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 4% (2014: 1%) from management estimates, the Group's and the Company's impairment loss of loans and receivables would result in variance by approximately 7% (2014: 3%).

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

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, unless otherwise stated.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

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.

3.2 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. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

Subsidiaries are entities, including structured entities, controlled by the Company. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. Besides, the Group considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investment in subsidiaries, which is eliminated on consolidation is stated at cost in the Company's financial statements. Where an 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. Any change in after comprehensive income of those investees is presented as part of the Group's other comprehensive income. 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.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Associates (cont'd)

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.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

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.

3.6 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 measured 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.

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%

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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.

3.8 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. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Impairment of assets

3.9.1 Non-financial assets

The Group and the Company assess 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 and the Company estimate 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.

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 base 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. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Impairment of assets (cont'd)

3.9.2 Financial assets

The Group and the Company assess 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 data 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.

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. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 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.

3.10.1 Financial assets – categorisation and subsequent measurement

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. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Financial instruments (cont'd)

3.10.2 Financial liabilities – categorisation and subsequent measurement

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.

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.

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

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 have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

3.11 Cash and cash equivalents

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

3.12 Tax expense

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

3.12.1 Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.12 Tax expense (cont'd)

3.12.2 Deferred tax

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

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.

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.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.13 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.

3.14 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. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 Foreign currency translations

Transactions in foreign currencies are initially recorded at the functional currency rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

All differences are taken to the profit or loss with the exception of all monetary items that forms part of a net investment in a foreign operation. These are recognised in other comprehensive income until the disposal of the net investment, at which time they are reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising in translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss respectively).

Foreign operations

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period, except for goodwill and fair value adjustments arising from business combination before 1 April 2011 (the date when the Group and the Company first adopted MFRSs) which are treated as assets and liabilities of the Company. The income and expenses of foreign operations are translated to RM at exchange rates at the date of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the foreign currency translation reserve related to that foreign operation is reclassified to profit or loss as part of the profit or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in foreign currency translation reserve in equity.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.16 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.

3.16.1 Sale of goods

Revenue from sale of goods is measured at fair value of the consideration received 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.

3.16.2 Interest income

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

3.16.3 Rental income

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.

3.16.4 Service fee

Service fee is recognised as it accrues.

3.16.5 Insurance commission

Insurance commission is recognised as it accrues.

3.16.6 Service charge

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.

3.16.7 Management fees

Management fees is recognised upon rendering services.

3.16.8 Gaming income

Gaming income represents net house takings.

3.16.9 Hotel income

Hotel income is recognised when the relevant services are provided.

3.16.10 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 rate.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.17 Employee benefits

3.17.1 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.

3.17.2 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 recognised 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.

3.18 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 of the Company. 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.

3.19 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 Company are recorded separately within equity.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.20 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 24 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.

3.21 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 party is related for an entity if:-

- (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	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 2013	1,696,466	15,026,050	3,045,485	11,562,115	563,173	31,893,289
Additions	-	68,633	-	59,403	-	128,036
Written off	-	(47,423)	(562,819)	(193,646)	-	(803,888)
Translation differences	43,750	254,794	-	529,519	4,340	832,403
At 31 March 2014/ 1 April 2014	1,740,216	15,302,054	2,482,666	11,957,391	567,513	32,049,840
Additions	-	3,394	-	66,094	-	69,488
Written off	-	-	(355)	(6,577,118)	-	(6,577,473)
Translation differences	108,750	642,470	-	463,945	10,790	1,225,955
At 31 March 2015	1,848,966	15,947,918	2,482,311	5,910,312	578,303	26,767,810

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Note	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 2013		311,443	4,097,057	2,846,984	11,019,365	477,559	18,752,408
Depreciation for the financial year	19	31,292	655,247	80,864	293,543	30,216	1,091,162
Written off		-	(47,402)	(562,766)	(192,102)	-	(802,270)
Translation differences		4,958	140,536	-	514,851	4,340	664,685
At 31 March 2014/ 1 April 2014		347,693	4,845,438	2,365,082	5,934,733	512,115	14,005,061
Accumulated depreciation		-	-	-	5,700,924	-	5,700,924
Accumulated impairment loss							
Depreciation for the financial year	19	347,693	4,845,438	2,365,082	11,635,657	512,115	19,705,985
Written off		32,816	701,446	74,217	161,276	30,216	999,971
Translation differences		-	-	(354)	(6,576,828)	-	(6,577,182)
		14,503	487,142	-	352,394	5,393	859,432
At 31 March 2015		395,012	6,034,026	2,438,945	5,572,499	547,724	14,988,206
Net carrying amounts							
At 31 March 2015		1,453,954	9,913,892	43,366	337,813	30,579	11,779,604
At 31 March 2014		1,392,523	10,456,616	117,584	321,734	55,398	12,343,855

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Note	Buildings RM	Furniture, fixtures and office equipment RM	Total RM
Cost				
At 1 April 2013/ 31 March 2014/ 1 April 2014		6,615,548	1,431,187	8,046,735
Additions		-	630	630
At 31 March 2015		6,615,548	1,431,817	8,047,365
Accumulated depreciation				
At 1 April 2013		640,555	1,299,232	1,939,787
Depreciation for the financial year	19	132,311	128,517	260,828
At 31 March 2014/ 1 April 2014		772,866	1,427,749	2,200,615
Depreciation for the financial year	19	132,311	1,369	133,680
At 31 March 2015		905,177	1,429,118	2,334,295
Net carrying amounts				
At 31 March 2015		5,710,371	2,699	5,713,070
At 31 March 2014		5,842,682	3,438	5,846,120

(i) Assets under finance lease

Included under property, plant and equipment of the Group are motor vehicles with carrying amount of RM25,180 (2014: RM55,396) acquired under finance lease instalment plans.

(ii) Security

The buildings of the Group and of the Company with the carrying amount of RM5,710,371 (2014: RM5,842,682) and RM5,710,371 (2014: RM5,842,682) respectively are pledged for banking facilities (Note 15).

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

5. INVESTMENTS IN SUBSIDIARIES

	Company	
	2015 RM	2014 RM
Unquoted shares, at cost	5,708,544	5,708,544
Less : Allowance for impairment loss	(1,733,540)	(1,733,540)
	<u>3,975,004</u>	<u>3,975,004</u>

Details of the subsidiaries are as follows:

Name of subsidiaries	Place of incorporation	Equity Ownership interest		Principal activities
		2015	2014	
Wire Master Spring Sdn. Bhd.	Malaysia	96%	96%	Manufacturing of precision springs
EPA Automation Sdn. Bhd.	Malaysia	100%	100%	Ceased operations
Goldwealth Capital Sdn. Bhd.	Malaysia	100%	100%	Trading in consumer products
GW Premium Capital Sdn. Bhd.	Malaysia	100%	100%	Trading in consumer products and providing financing services
Probusiness Investments Limited	British Virgin Islands	100%	100%	Investment holding and gaming operations
<i>Subsidiaries of Probusiness Investments Limited</i>				
- Remarkable Group Limited #	British Virgin Islands	50%	50%	Provision of club equipment and management services for gaming operations
- Ensellini International Limited	British Virgin Islands	65%	65%	Ceased operations
- Asia Pacific Winning Limited	British Virgin Islands	100%	100%	Investment holding

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiaries	Place of incorporation	Equity Ownership interest		Principal activities
		2015	2014	
<i>Subsidiary of Asia Pacific Winning Limited</i>				
- Lao-Malaysia Investments Group	Republic of Laos	75%	75%	Hotel operations
<i>Subsidiary of Remarkable Group Limited</i>				
- Rich Lee Holdings Sdn. Bhd. *	Malaysia	100%	100%	Dormant

* Subsidiary not audited by SJ Grant Thornton

Deemed to be a subsidiary of the Group by virtue of its power to exercise control over the financial and operating policies.

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:-

2015	Wire Master Spring Sdn. Bhd.	Remarkable Group Limited	Enselini International Limited	Lao-Malaysia Investments Group	Ace Unicorn Limited	Total
NCI percentage of ownership interests and voting interest (%)	4%	50%	35%	25%	-	
Carrying amount of NCI (RM)	233,066	31,201	-	(415,738)	-	(151,471)
Profit/(Loss) allocated to NCI (RM)	3,263	1,768,833	(1,911,616)	(59,634)	6,503	(192,651)
2014						
NCI percentage of ownership interests and voting interest (%)	4%	50%	35%	25%	-	
Carrying amount of NCI (RM)	229,802	18,471	1,911,616	(273,257)	(6,503)	1,880,129
Profit/(Loss) allocated to NCI (RM)	37,792	1,665,595	1,854,307	(18,561)	99,509	3,638,642

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiaries (cont'd)

The summary of financial information before intra-group elimination for the Group's subsidiaries that has material non-controlling interests ("NCI") is as below:-

	Wire Master Spring Sdn. Bhd. RM	Remarkable Group Limited RM	Enselini International Limited RM	Lao-Malaysia Investments Group RM	Ace Unicorn Limited RM	Total RM
2015						
Financial position as at 31 March						
Non-current assets	4,373,397	9,566	-	2,696,154	-	7,079,117
Current assets	1,897,485	437,271	-	888,018	-	3,222,774
Current liabilities	(444,242)	(440,854)	-	(6,533,425)	-	(7,418,521)
Net assets	5,826,640	5,983	-	(2,949,253)	-	2,883,370
Summary of financial performance for the financial year ended 31 March						
Profit/(loss) for the financial year	81,566	3,537,675	-	(238,533)	-	3,380,708
Other comprehensive income/(loss)	-	24,113	-	(331,392)	-	(307,279)
Total comprehensive income/(loss)	81,566	3,561,788	-	(569,925)	-	3,073,429
Included in the total comprehensive income is:						
Revenue	4,077,813	3,604,098	-	1,406,652	-	9,088,563

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiaries (cont'd)

The summary of financial information before intra-group elimination for the Group's subsidiaries that has material non-controlling interests ("NCI") is as below (cont'd):-

	Wire Master Spring Sdn. Bhd. RM	Remarkable Group Limited RM	Enselini International Limited RM	Lao-Malaysia Investments Group RM	Ace Unicorn Limited RM	Total RM
2015 (cont'd)						
Summary of cash flows for the financial year ended 31 March						
Net cash inflow/(outflow) from						
- operating activities	429,771	303,263	-	(417,511)	-	315,523
- investing activities	(594,769)	-	-	(65,274)	-	(660,043)
- financing activities	(25,036)	(303,263)	-	789,167	-	460,868
Net cash inflow/(outflow)	(190,034)	-	-	306,382	-	116,348
Other information						
Dividends paid to non-controlling	-	1,768,161	-	-	-	1,768,161

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiaries (cont'd)

The summary of financial information before intra-group elimination for the Group's subsidiaries that has material non-controlling interests ("NCI") is as below (cont'd):-

2014

Financial position as at 31 March

	Wire Master Spring Sdn. Bhd. RM	Remarkable Group Limited RM	Enselini International Limited RM	Lao-Malaysia Investments Group RM	Ace Unicorn Limited RM	Total RM
Non-current assets	4,609,214	41,319	-	2,852,696	-	7,503,229
Current assets	2,343,163	166,520	-	539,195	-	3,048,878
Non-current liabilities	(20,167)	-	-	-	-	(20,167)
Current liabilities	(1,187,136)	(203,826)	-	(5,771,218)	-	(7,162,180)
Net assets	5,745,074	4,013	-	(2,379,327)	-	3,369,760

Summary of financial performance for the financial year ended 31 March

Profit/(loss) for the financial year	944,795	3,331,190	5,298,070	(74,244)	4,945,988	14,445,799
Other comprehensive income/(loss)	-	2,821	(145,666)	(125,293)	(135,982)	(404,120)
Total comprehensive income/(loss)	944,795	3,334,011	5,152,404	(199,537)	4,810,006	14,041,679
Included in the total comprehensive income/(loss) is:						
Revenue	4,660,748	3,490,337	-	1,541,365	-	9,692,450

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiaries (cont'd)

The summary of financial information before intra-group elimination for the Group's subsidiaries that has material non-controlling interests ("NCI") is as below (cont'd):-

2014 (cont'd)

Summary of cash flows for the financial year ended 31 March

Net cash inflow/(outflow) from					
- operating activities	654,979	(85,210)	(90,865)	178,010	2,594,642
- investing activities	(406,698)	-	-	(113,576)	(520,274)
- financing activities	(25,036)	85,210	87,891	85,616	(1,704,047)

Net cash inflow/(outflow)	223,245	-	(2,974)	150,050	370,321
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Other information

Dividends paid to non-controlling interests	-	1,664,422	-	-	1,664,422
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NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

6. INVESTMENT IN AN ASSOCIATE

	Group	
	2015 RM	2014 RM
Unquoted shares outside Malaysia, at cost	1,987,364	1,987,360
Share of post acquisition loss	(1,987,364)	(1,987,360)
	-	-
Represented by:		
Share of net assets	-	-

Details of the associate are as follows:

Name of associate	Place of incorporation	Equity Ownership interest		Principal activities
		2015	2014	
Goldshore Capital Limited*	British Virgin Islands	40%	36%	Gaming operations

* The results of the associate have been equity accounted for based on the audited financial statements for the relevant year.

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

	Group	
	2015 RM	2014 RM
Assets and liabilities:		
Non-current assets	4,805,448	3,922,553
Current assets	730,533	212,943
Current liabilities	(20,634,233)	(9,494,565)
Net liabilities	(15,098,252)	(5,359,069)
Revenue	1,794,521	4,934,093
Profit for the financial year/Total comprehensive income	233,106	12,661,921
Group's share of results for the financial year ended 31 March		
Group's share of loss/total comprehensive loss	79,549	4,558,291
Other information		
Dividend received	-	-

The associates have no capital commitments and contingent liabilities as at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

7. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Non-current					
Trade					
Trade receivables		1,270,912	2,193,450	-	-
Less : Unearned service charges		(181,403)	(381,920)	-	-
Less : Fair value adjustment		22,386	(143,535)	-	-
Total non-current receivables		1,111,895	1,667,995	-	-
Current					
Trade					
Trade receivables		1,593,612	1,888,850	-	-
Less : Unearned service charges		(180,382)	(267,407)	-	-
		1,413,230	1,621,443	-	-
Less : Allowance for impairment loss		(33,957)	(25,284)	-	-
		1,379,273	1,596,159	-	-
Non-trade					
Amounts due from subsidiaries		-	-	30,215,545	27,519,487
Less : Allowance for impairment loss		-	-	(18,221,650)	(18,221,650)
	7.1	-	-	11,993,895	9,297,837
Other receivables	7.2	7,283,140	7,228,627	5,000,000	5,003,220
Deposits		116,278	104,896	82,869	79,052
Prepayments		38,403	37,216	19,427	19,282
Less : Allowance for impairment loss		(5,565,766)	(5,565,766)	(5,000,000)	(5,000,000)
		1,872,055	1,804,973	102,296	101,554
Total current receivables		3,251,328	3,401,132	12,096,191	9,399,391

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

7. RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

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

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Brought forward	25,284	470,367	-	-
Impairment loss recognised	8,673	-	-	-
Impairment loss reversed	-	(440,912)	-	-
Translation differences	-	(4,171)	-	-
Carried forward	33,957	25,284	-	-

The normal trade credit terms granted by the Group to the trade receivables range from 30 to 90 days (2014: 30 to 90 days).

Included in the trade receivables was an amount of RM1,718,077 (2014:RM2,338,162) bear interest rate of 10.49% (2014:10.49%) per annum.

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

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Brought forward	5,565,766	7,606,612	23,221,650	16,308,751
Impairment loss recognised	-	-	-	6,912,899
Impairment loss reversed	-	(2,011,901)	-	-
Translation differences	-	(28,945)	-	-
Carried forward	5,565,766	5,565,766	23,221,650	23,221,650

7.1 Amounts due from subsidiaries

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

7.2 Other receivables

Included in other receivables of the Group and of the Company is an amount of RM5,000,000 (2014: 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.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

8. DEFERRED TAXATION

8.1 Deferred tax liabilities/(assets)

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

Group	At 1 April 2013 RM	Recognised in profit or loss RM	At 31 March 2014 RM	Recognised in profit or loss RM	At 31 March 2015 RM
Property, plant and equipment	126,817	(581,815)	(454,998)	21,402	(433,596)
Provisions	14,960	(51,496)	(36,536)	7,047	(29,489)
	141,777	(633,311)	(491,534)	28,449	(463,085)
	Note 20		Note 20		

8.2 Deferred tax assets

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

	Group	
	2015 RM	2014 RM
Unutilised tax losses	(2,315,000)	(2,015,000)
Unabsorbed capital allowances	(310,000)	(302,000)
Property, plant and equipment	3,000	(14,000)
	(2,622,000)	(2,331,000)
	Company	
	2015 RM	2014 RM
Property, plant and equipment	(25,000)	(50,000)
Unutilised tax losses	(1,108,000)	(1,161,000)
Unabsorbed capital allowances	(256,000)	(256,000)
	(1,389,000)	(1,467,000)

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.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

9. INVENTORIES

	Group	
	2015 RM	2014 RM
Raw materials	551,098	590,231
Finished goods	253,943	271,341
	<hr/>	<hr/>
	805,041	861,572
	<hr/>	<hr/>
Recognised in profit and loss:		
Inventories recognised as cost of sales	891,105	968,525
Inventories write-down	-	24,024
Reversal of inventories write-down	(29,365)	(14,705)
	<hr/>	<hr/>

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

10. AMOUNT DUE FROM AN ASSOCIATE

	Group	
	2015 RM	2014 RM
Amount due from an associate	8,856,995	7,457,111
Share of post acquisition loss	(6,391,412)	(6,470,961)
	<hr/>	<hr/>
	2,465,583	986,150
	<hr/>	<hr/>

During the financial year, the movement of the share of post acquisition loss 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.

11. CASH AND CASH EQUIVALENTS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Short-term deposits with licensed banks and financial institutions	12,789,300	9,198,278	-	-
Cash and bank balances	3,744,198	3,844,605	476,010	403,358
	<hr/>	<hr/>	<hr/>	<hr/>
	16,533,498	13,042,883	476,010	403,358
	<hr/>	<hr/>	<hr/>	<hr/>

The interest rate of short-term deposits with licensed banks ranges from 2.68% to 3.97% (2014: 2.66% to 3.17%) per annum.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

12. SHARE CAPITAL

	Group and Company			
	2015	2014	2015	2014
	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
Issued and fully paid	44,753,400	44,753,400	44,753,400	44,753,400

13. RESERVES

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Non-distributable					
Share premium	13.1	132,167	132,167	132,167	132,167
Exchange fluctuation reserve	13.2	2,265,278	281,579	-	-
Accumulated losses		2,397,445 (18,004,483)	413,746 (21,152,628)	132,167 (26,939,844)	132,167 (29,426,620)
		(15,607,038)	(20,738,882)	(26,807,677)	(29,294,453)

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.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

15. BORROWINGS

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Current					
Term loans - secured	15.3	266,126	254,369	266,126	254,369
Finance lease liabilities	15.4	20,167	22,000	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
		286,293	276,369	266,126	254,369
Non-current					
Term loans - secured	15.3	3,527,378	3,779,962	3,527,378	3,779,962
Finance lease liabilities	15.4	-	20,167	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
		3,527,378	3,800,129	3,527,378	3,779,962

15.1 Securities

Group/Company

The term loans are secured by the Company's building.

15.2 Interest rate

Group/Company

The term loans are subject to interest rate at 1.50% (2014: 1.50%) above bank's prevailing 3 months effective cost of fund.

Group

Finance lease liabilities are subject to fixed interest rate of 2.76% (2014: 2.76%) per annum.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

15. BORROWINGS (CONT'D)

15.3 Terms and debt repayment schedule

Group	Year of maturity	Carrying amount RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	Over 5 years RM
2015						
Term loans - secured	2029	3,793,504	266,126	280,146	928,517	2,318,715
Finance lease liabilities	2014-2016	20,167	20,167	-	-	-
		3,813,671	286,293	280,146	928,517	2,318,715
2014						
Term loans - secured	2029	4,034,331	254,369	266,816	886,181	2,626,965
Finance lease liabilities	2014-2016	42,167	22,000	20,167	-	-
		4,076,498	276,369	286,983	886,181	2,626,965
Company						
2015						
Term loan - secured	2029	3,793,504	266,126	280,146	928,517	2,318,715
2014						
Term loans - secured	2029	4,034,331	254,369	266,816	886,181	2,626,965

15. BORROWINGS (CONT'D)

15.4 Finance lease liabilities

Finance lease liabilities are payable as follows:

Group	2015		2014	
	Repayments RM	Interest RM	Repayments RM	Interest RM
Less than 1 year	22,950	2,783	25,036	3,036
More than 1 year but less than 2 years	-	-	22,950	2,783
	22,950	2,783	47,986	5,819
			20,167	42,167

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

16. PAYABLES AND ACCRUALS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Trade				
Trade payables	245,486	304,042	-	-
Non-trade				
Other payables	3,103,428	2,095,921	521,048	40,792
Accrued expenses	270,264	402,715	-	89,803
	3,373,692	2,498,636	521,048	130,595
	3,619,178	2,802,678	521,048	130,595

The normal trade credit terms granted by trade payables range from 30 to 90 days (2014: 30 to 90 days).

17. REVENUE

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Sale of goods	4,077,813	4,660,748	-	-
Service charges	272,234	391,542	-	-
Management fees	3,604,098	3,490,337	300,000	300,000
Gaming income	484,574	194,587	-	-
Hotel income	1,406,652	1,541,365	-	-
Rental income	359,064	359,064	359,064	470,184
	10,204,435	10,637,643	659,064	770,184

18. STAFF COSTS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Salaries, wages and other emoluments	2,699,773	2,609,824	217,878	200,972
Defined contribution plan	195,512	193,466	26,362	24,294
Social security contributions	24,331	22,374	1,638	1,612
Other benefits	46,228	43,232	12,432	12,909
	2,965,844	2,868,896	258,310	239,787

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

18. STAFF COSTS (CONT'D)

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

	Group	
	2015 RM	2014 RM
Executive Directors:		
Salaries and other emoluments	651,527	701,486
Defined contribution plan	21,700	28,030
Social security contributions	620	620
	<hr/>	<hr/>
	673,847	730,136
	<hr/>	<hr/>
	Group and Company	
	2015 RM	2014 RM
Non-executive Directors:		
Other emoluments	35,000	32,000
	<hr/>	<hr/>

19. PROFIT/ (LOSS) BEFORE TAX

Profit/ (Loss) before tax is arrived at:

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
After charging :					
Auditors' remuneration:					
<u>Auditors of the Company</u>					
Current year					
- audit services		69,900	67,000	23,000	20,000
- other services		4,000	4,000	4,000	4,000
<u>Other auditors</u>					
Current year					
- audit services		950	950	-	-
Overprovision in the prior year					
- audit services		-	(150)	-	-
Inventories write-down		-	24,024	-	-
Bad debts written off		3,773	191,488	-	1,975
Depreciation of property, plant and equipment	4	999,971	1,091,162	133,680	260,828
Directors' remuneration	18				
- executive		673,847	730,136	-	-
- non-executive		35,000	32,000	35,000	32,000
Impairment loss on					
- third parties		8,673	-	-	-
- amount due from subsidiaries		-	-	-	6,912,899
- amount due from an associate		-	1,038,521	-	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

19. PROFIT/ (LOSS) BEFORE TAX (CONT'D)

Profit/ (Loss) before tax is arrived at (cont'd):

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Interest expense				
- finance lease liabilities	3,036	3,036	-	-
- term loan	208,332	208,315	208,332	208,315
- others	7,034	9,654	-	-
Loss on foreign exchange				
- realised	3,690	35,158	-	-
Property, plant and equipment written off	291	1,618	-	-
and after crediting:				
Gain on foreign exchange				
- realised	1,885	-	-	-
- unrealised	4,876	-	2,730,169	1,202,149
Interest income	383,447	287,689	9,238	7,406
Rental income from:				
- third parties	359,064	359,064	359,064	359,064
- subsidiary	-	-	-	111,120
Waiver of debts	-	3,713,106	-	-
Fair value adjustment on trade receivables recognised in profit or loss	22,386	143,535	-	-
Reversal of impairment loss on receivables	-	2,452,813	-	-
Reversal of inventories write-down	29,365	14,705	-	-
Bad debts recovered	3,189	-	43,512	-

20. TAX EXPENSE/ (INCOME)

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Current tax expense				
- Current year	71,442	119,018	-	-
- Overprovision in prior years	-	(51,737)	-	(52,211)
Total current tax recognised in the profit or loss	71,442	67,281	-	(52,211)
Deferred tax expense				
- Current year (Note 8)	-	20,487	-	-
- Under/(Over) provision in prior years	28,449	(653,798)	-	-
Total deferred tax recognised in the profit or loss	28,449	(633,311)	-	-
Total tax expense/ (income)	99,891	(566,030)	-	(52,211)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

20. TAX EXPENSE/ (INCOME) (CONT'D)

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

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Profit/ (Loss) before tax	3,055,385	(3,041,680)	2,486,776	(6,002,508)
Tax calculated using Malaysian tax rate of 25%	763,846	(760,420)	621,694	(1,500,627)
Gain of foreign subsidiaries not available for set-off	(106,006)	(746,355)	-	-
Non-deductible expenses	151,212	1,577,471	82,658	1,482,532
Non-taxable income	(784,002)	(70,090)	(684,852)	-
Deferred tax assets not recognised	72,750	138,899	(19,500)	18,095
	97,800	139,505	-	-
(Over)/ underprovision in prior years				
- current tax	(26,358)	(51,737)	-	(52,211)
- deferred tax	28,449	(653,798)	-	-
Tax expense/ (income)	99,891	(566,030)	-	(52,211)

The unutilised tax losses and unabsorbed capital allowances which can be carried forward to offset against future taxable profit amounted to approximately RM2,315,000 (2014: RM2,015,000) and RM310,000 (2014: RM302,000) for the Group and RM1,108,000 (2014: RM1,161,000) and RM256,000 (2014: RM256,000) for the Company.

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

21. 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	
	2015 RM	2014 RM
Earnings/ (Loss) attributable to owners of the Company (RM)	3,148,145	(6,114,292)
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.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

22. 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:

	2015 RM	2014 RM
Management fees receivable	300,000	300,000
Rental receivable	-	111,120

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

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

	Group and Company 2015 RM	2014 RM
Rental receivable	245,298	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 18 to the financial statements. The Group and the Company have no other members of key management personnel apart from the Board of Directors.

23. 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. On 21 June 2014, the Court had dismissed the third party's action against RLHSB.

On 8 July 2013, the third party filed an appeal against the court's decision. Appeal dismissed on 10 October 2013.

Subsequently, the third party applied for leave to appeal to the Federal Court and hearing for the leave application on 24 June 2014. The Federal Court has dismissed the third party's application for appeal to the Federal Court.

A bankruptcy proceedings was initiated against the third party and the matter is fixed for case management on 27 August 2015.

24. SEGMENTAL INFORMATION - GROUP

(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	<ul style="list-style-type: none"> i) Investment holding ii) Provision of management services iii) Provision of financing service iv) Rental of properties

24. SEGMENTAL INFORMATION – GROUP (CONT'D)

(ii) Business segments (cont'd)

2015	Manufacturing RM	Supply RM	Gaming RM	Hotel RM	Others RM	Eliminations RM	Consolidated RM
Revenue from external customers	4,077,813	272,234	4,088,672	1,406,652	359,064	-	10,204,435
Inter-segment revenue	-	480,000	-	-	300,000	(780,000)	-
Total revenue	4,077,813	752,234	4,088,672	1,406,652	659,064	(780,000)	10,204,435
Result:							
Interest income	6,439	367,770	-	-	9,238	-	383,447
Depreciation of property, plant and equipment	(112,922)	(16,944)	(79,936)	(565,714)	(224,455)	-	(999,971)
Finance costs	(3,036)	-	-	(7,034)	(208,332)	-	(218,402)
Other non-cash income/(expense) Note (a)	25,989	21,986	-	(4,085)	-	-	43,890
Tax expense	(99,891)	-	-	-	-	-	(99,891)
Segment profit/(loss)	81,566	454	5,433,455	(238,533)	2,482,622	(4,804,070)	2,955,494
Assets:-							
Addition to non-current asset Note (b)	3,364	220	-	65,274	630	-	69,488
Unallocated assets	2,039,258	3,128,059	5,053,511	3,584,172	9,352,649	-	13,270,091
Segment assets							23,157,649
Liabilities:-							
Unallocated liabilities	279,893	1,665,127	649,482	204,405	820,271	-	3,813,671
Segment liabilities							3,619,178

24. SEGMENTAL INFORMATION – GROUP (CONT'D)

(ii) Business segments (cont'd)

2014	Manufacturing RM	Supply RM	Gaming RM	Hotel RM	Others RM	Eliminations RM	Consolidated RM
Revenue from external customers	4,660,748	391,542	3,684,924	1,541,365	359,064	-	10,637,643
Inter-segment revenue	-	700,000	-	-	411,120	(1,111,120)	-
Total revenue	4,660,748	1,091,542	3,684,924	1,541,365	770,184	(1,111,120)	10,637,643
Result:							
Interest income	6,401	273,883	-	-	7,405	-	287,689
Depreciation of property, plant and equipment	(118,923)	(25,384)	(89,282)	(505,971)	(351,602)	-	(1,091,162)
Finance costs	(3,036)	-	-	(9,654)	(208,315)	-	(221,005)
Other non-cash income/(expense) Note (a)	9,567	1,906	4,769,965	-	-	-	4,781,438
Tax expense	516,516	-	-	-	49,514	-	566,030
Segment profit/(loss)	944,795	(363,181)	10,583,364	(74,244)	(5,955,161)	(7,611,223)	(2,475,650)
Assets:-							
Addition to non-current asset Note (b)	7,060	4,250	-	113,576	3,150	-	128,036
Unallocated assets	2,608,686	3,607,485	3,928,923	3,391,891	9,568,324	-	23,105,309
Liabilities:-							
Unallocated liabilities	404,359	1,643,136	129,133	231,365	394,685	-	4,101,688
Segment liabilities							2,802,678

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

24. SEGMENTAL INFORMATION – GROUP (CONT'D)

(i) Business segments (cont'd)

Notes:

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

	2015 RM	2014 RM
Impairment loss on receivables	(8,673)	-
Impairment loss on amount due from an associate	-	(1,038,521)
Inventories write-down	-	(24,024)
Reversal of inventories write-down	29,365	14,705
Bad debts written off	(3,773)	(191,488)
Property, plant and equipment written off	(291)	(1,618)
Reversal of impairment loss on receivables	-	2,452,813
Fair value adjustment on trade receivables recognised in profit or loss	22,386	(143,535)
Waiver of debts	-	3,713,106
Unrealised gain on foreign exchange	4,876	-
	43,890	4,781,438

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

	2015 RM	2014 RM
Property, plant and equipment	69,488	128,036

(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
2015					
Revenue from external customers by location of customers	4,709,111	484,574	3,604,098	1,406,652	10,204,435
Non-current assets	10,641,147	7,721	9,562	2,696,154	13,354,584
Capital expenditure by location of assets	4,214	-	-	65,274	69,488

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

24. SEGMENTAL INFORMATION – GROUP (CONT'D)

(ii) Geographical segments (cont'd)

	Malaysia RM	Cambodia RM	Vietnam RM	Laos RM	Consolidated RM
2014					
Revenue from external customers by location of customers	5,411,354	194,587	3,490,337	1,541,365	10,637,643
Non current assets	11,561,685	47,687	41,316	2,852,696	14,503,384
Capital expenditure by location of assets	14,460	-	-	113,576	128,036

(iii) Information about major customers

Revenue from 1 (2014: 1) customer amounted to RM263,293 (2014: RM385,712) arising from revenue by the supply segment and no major customer arising from manufacturing, gaming, hotel and others segment.

25. CATEGORIES OF FINANCIAL INSTRUMENTS

The table below provides an analysis of financial instruments categorised as loans and receivables (L&R) and other liabilities measured at amortised cost (AC):-

Group	Carrying amount RM	L&R RM	AC RM
2015			
Financial assets			
Receivables and deposits	4,324,820	4,324,820	-
Amount due from an associate	2,465,583	2,465,583	-
Cash and cash equivalents	16,533,498	16,533,498	-
	<hr/>	<hr/>	<hr/>
	23,323,901	23,323,901	-
	<hr/>	<hr/>	<hr/>
Financial liabilities			
Payables and accruals	3,619,178	-	3,619,178
Borrowings	3,813,671	-	3,813,671
	<hr/>	<hr/>	<hr/>
	7,432,849	-	7,432,849
	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

25. CATEGORIES OF FINANCIAL INSTRUMENTS (CONT'D)

The table below provides an analysis of financial instruments categorised as loans and receivables (L&R) and other liabilities measured at amortised cost (AC) (cont'd):-

Group	Carrying amount RM	L&R RM	AC RM
2014			
Financial assets			
Receivables and deposits	5,031,911	5,031,911	-
Amount due from an associate	986,150	986,150	-
Cash and cash equivalents	13,042,883	13,042,883	-
	19,060,944	19,060,944	-
Financial liabilities			
Payables and accruals	2,802,678	-	2,802,678
Borrowings	4,076,498	-	4,076,498
	6,879,176	-	6,879,176
Company			
2015			
Financial assets			
Receivables and deposits	12,076,764	12,076,764	-
Cash and cash equivalents	476,010	476,010	-
	12,552,774	12,552,774	-
Financial liabilities			
Payables and accruals	521,048	-	521,048
Borrowings	3,793,504	-	3,793,504
	4,314,552	-	4,314,552
2014			
Financial assets			
Receivables and deposits	9,380,109	9,380,109	-
Cash and cash equivalents	403,358	403,358	-
	9,783,467	9,783,467	-
Financial liabilities			
Payables and accruals	130,595	-	130,595
Borrowings	4,034,331	-	4,034,331
	4,164,926	-	4,164,926

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk

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 operate 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.

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.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

(a) Credit risk (cont'd)

(i) Receivables (cont'd)

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

	Gross RM	Individually impaired RM	Net RM
2015			
Not past due	2,064,512	-	2,064,512
Past due for 1-30 days	296,754	-	296,754
Past due for 31-60 days	79,870	-	79,870
Past due for 61-90 days	30,140	-	30,140
Past due for 91-120 days	8,508	-	8,508
Past due for more than 121 days	45,341	(33,957)	11,384
	2,525,125	(33,957)	2,491,168
2014			
Not past due	2,603,804	-	2,603,804
Past due for 1-30 days	433,602	-	433,602
Past due for 31-60 days	115,501	-	115,501
Past due for 61-90 days	59,293	-	59,293
Past due for 91-120 days	10,840	-	10,840
Past due for more than 121 days	66,398	(25,284)	41,114
	3,289,438	(25,284)	3,264,154

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 2015, trade receivables of RM426,656 (2014: RM660,350) 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 69% (2014: 71%) of trade receivables consist of amount due from one (2014: 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.

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

(a) Credit risk (cont'd)

(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.

(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 Group and the Company maintain 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 and the Company aim 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.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

(b) Liquidity risk (cont'd)

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

	Total carrying amount RM	Contractual cash flows RM	Within 1 year RM	1 to 2 years RM	2 to 5 years RM	More than 5 years RM
Group 2015						
<u>Unsecured:</u> Payables and accruals	3,619,178	3,619,178	3,619,178	-	-	-
<u>Secured:</u> Borrowings	3,813,671	4,953,089	469,327	449,160	1,347,480	2,687,122
	7,432,849	8,572,267	4,088,505	449,160	1,347,480	2,687,122
2014						
<u>Unsecured:</u> Payables and accruals	2,802,678	2,802,678	2,802,678	-	-	-
<u>Secured:</u> Borrowings	4,076,498	5,406,750	474,196	472,110	1,347,480	3,112,964
	6,879,176	8,209,428	3,276,874	472,110	1,347,480	3,112,964
Company 2015						
<u>Unsecured:</u> Payables and accruals	521,048	521,048	521,048	-	-	-
<u>Secured:</u> Borrowings	3,793,504	4,932,922	449,160	449,160	1,347,480	2,687,122
	4,314,552	5,453,970	970,208	449,160	1,347,480	2,687,122
2014						
<u>Unsecured:</u> Payables and accruals	130,595	130,595	130,595	-	-	-
<u>Secured:</u> Borrowings	4,034,331	5,358,764	449,160	449,160	1,347,480	3,112,964
	4,164,926	5,489,359	579,755	449,160	1,347,480	3,112,964

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

(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 and the Company's exposure to foreign currency risk, the Group and the Company are 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") and Singapore Dollar ("SGD").

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 and the Company's exposure to foreign currency risk, based on carrying amounts as at the end of the reporting period were:-

	Denominated in USD RM	SGD RM
Group		
2015		
Cash and cash equivalents	2,611,684	-
Trade and other receivables	835,139	-
Trade and other payables	(1,093,447)	(4,531)
	<hr/> 2,353,376	<hr/> (4,531)
2014		
Cash and cash equivalents	2,429,102	-
Trade receivables	960,568	-
Trade payables	(699,647)	(26,425)
	<hr/> 2,690,023	<hr/> (26,425)
Company		
2015		
Amount due from a subsidiary	23,164,284	-
2014		
Amount due from a subsidiary	22,965,533	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (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 and SGD exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

Group and Company	Increase/ (Decrease) Profit/ (Loss) for the year RM	Equity RM
2015		
USD/RM		
- Strengthened 1.10%	25,855	25,855
- Weakened 1.10%	(25,855)	(5,855)
SGD/RM		
- Strengthened 0.32%	15	15
- Weakened 0.32%	(15)	(15)
2014		
USD/RM		
- Strengthened 0.20%	15,206	15,206
- Weakened 0.20%	(15,206)	(15,206)
SGD/RM		
- Strengthened 0.15%	122	122
- Weakened 0.15%	(122)	(122)

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.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (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:-

	Group RM	Company RM
2015		
Fixed rate instruments		
<u>Financial asset</u>		
Short-term deposits with licensed banks and financial institutions	12,789,300	-
Trade receivables	1,718,077	-
	<hr/>	
	14,507,377	-
	<hr/>	
<u>Financial liability</u>		
Finance lease liability	20,167	-
	<hr/>	
Floating rate instrument		
<u>Financial liability</u>		
Borrowings	3,793,504	3,793,504
	<hr/>	
2014		
Fixed rate instruments		
<u>Financial assets</u>		
Short-term deposits with licensed banks and financial institutions	9,198,278	-
Trade receivables	2,338,162	-
	<hr/>	
	11,536,440	-
	<hr/>	
<u>Financial liability</u>		
Finance lease liabilities	42,167	-
	<hr/>	
Floating rate instrument		
<u>Financial liability</u>		
Borrowings	4,034,331	4,034,331
	<hr/>	

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (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 and Company			
	Profit/(Loss) for the year		Equity	
	RM +50 bp	RM -50 bp	RM +50 bp	RM -50 bp
2015	18,968	(18,968)	18,968	(18,968)
2014	20,172	(20,172)	20,172	(20,172)

(e) Fair value of financial instruments

The table below analyses financial instruments carried at fair value for which fair value is disclosed together with their carrying amounts shown in the statement of financial position.

	Fair value of financial instrument not carried at fair value Level 2 RM	Carrying amount RM
2015		
Group		
Borrowings	3,208,174	3,793,504
Finance lease liabilities	-	20,167
	3,208,174	3,813,671
Company		
Borrowings	3,208,174	3,793,504

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Financial risk (cont'd)

(e) Fair value of financial instruments (cont'd)

	Fair value of financial instrument not carried at fair value Level 2 * RM	Carrying amount RM
2014		
Group		
Borrowings	3,387,336	4,034,331
Finance lease liabilities	41,621	42,167
	<hr/>	<hr/>
	3,428,957	4,076,498
	<hr/>	<hr/>
Company		
Borrowings	3,387,336	4,034,331
	<hr/>	<hr/>

* The fair value of an asset to be transferred between levels is determined as of the date of the event or charge in circumstances that caused the transfer.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or charge in circumstances that caused the transfer.

Level 2 Fair Value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

27. CAPITAL MANAGEMENT

The primary objective of the Group's and of 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.

DISCLOSURES OF REALISED AND UNREALISED PROFITS/LOSSES

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:-

	<u>2015</u> <u>RM</u>	<u>2014</u> <u>RM</u>
Group		
Total accumulated losses of the Group:		
- Realised	(33,016,931)	(37,640,293)
- Unrealised	(413,953)	(635,069)
	<hr/> (33,430,884)	<hr/> (38,275,362)
Total accumulated losses from the associate		
- Realised	79,549	(4,558,291)
	<hr/> (33,351,335)	<hr/> (42,833,653)
Consolidation adjustment	15,346,852	21,681,025
	<hr/>	<hr/>
Total Group accumulated losses as per consolidated financial statements	<hr/> (18,004,483)	<hr/> (21,152,628)
Company		
Total accumulated losses of the Company:		
- Realised	(29,670,013)	(30,628,769)
- Unrealised	2,730,169	1,202,149
	<hr/>	<hr/>
Total accumulated losses as per financial statements	<hr/> (26,939,844)	<hr/> (29,426,620)

The disclosure of realised and unrealised 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 29 July 2015.

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 101 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of 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 2015 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 102 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

29 July 2015

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 101 and the financial information set out on page 102 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 29 July 2015.

.....
KONG SIN SENG

Before me:

INDEPENDENT AUDITORS' REPORT

to the Members of Widetech (Malaysia) Berhad

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 2015 of the Group and of the Company, and statements profit or loss and other 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 101.

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 2015 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' report of the subsidiary 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.

INDEPENDENT AUDITORS' REPORT (Cont'd)

to the Members of Widetech (Malaysia) Berhad

Report on Other Legal and Regulatory Requirements (Cont'd)

- (d) The auditors' 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 102 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other matters

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

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

NG CHEE HOONG
(NO: 2278/10/16(J))
CHARTERED ACCOUNTANT

Kuala Lumpur
29 July 2015

LIST OF PROPERTIES

as at 31 March 2015

Location	Tenure	Land Area / Gross Floor Area	Description Approx. Age, of Building & Year of Acquisition	Net Book Value as at 31 March 2015 (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 7 years 2008/2009	5,710
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 2055	2.00 acres	2 storey factory 17 years 2004	3,824

ANALYSIS OF SHAREHOLDINGS

as at 31 July 2015

Authorised Share Capital	:	RM150,000,000.00
Issued and Paid-up Share Capital	:	RM44,753,400.00
Class of Shares	:	Ordinary shares of RM1.00 each
Voting Right	:	One vote per ordinary shareholder on a show of hands One vote per ordinary share on a poll
Number of Shareholders	:	808

ANALYSIS BY SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	No. of Shares held	%
Less than 100 shares	42	1,960	0.00
100 to 1,000 shares	280	229,418	0.51
1,001 to 10,000 shares	356	1,363,586	3.05
10,001 to 100,000 shares	90	2,874,100	6.42
100,001 to less than 5% of issued shares	36	22,525,532	50.34
5% of issued shares and above	4	17,758,804	39.68
Total	808	44,753,400	100.00

SUBSTANTIAL SHAREHOLDERS AS AT 31 JULY 2015

Name	Direct	No. of Shares Held %	Indirect	%
Lim Hian Yu Sdn. Bhd	5,529,200	12.35	-	-
Distinct Rich Sdn. Bhd.	8,030,652	17.94	-	-
Gain Millen Sdn. Bhd.	4,198,952	9.38	-	-
Tan Sri Datuk Chu Sui Kiong	737,736	1.65	8,030,652 [#]	17.94
Tan Sri Dato' Cheng Joo Teik	200,000	0.45	5,755,852 [^]	12.86

ANALYSIS OF SHAREHOLDINGS (Cont'd)

as at 31 July 2015

DIRECTORS' SHAREHOLDINGS AS AT 31 JULY 2015

Name	No. of Shares Held		Indirect	%
	Direct	%		
1. Tan Sri Datuk Chu Sui Kiong	737,736	1.65	8,030,652 [#]	17.94
2. Tan Sri Dato' Cheng Joo Teik	200,000	0.45	5,755,852 [^]	12.86
3. Loh Suan Phang	2,011,300	4.49	-	-
4. Dato' Lim Sin Khong	413,514	0.92	2,007,664 [*]	4.49
5. Tan Boon Seng	827,032	1.85	-	-
6. Dato' Lim Kim Huat	-	-	-	-
7. Kong Sin Seng	-	-	-	-
8. Lee Yoke Shue	-	-	-	-
9. Datuk Ng Bee Ken	-	-	-	-

Notes:

[^] Deemed interest through Gain Millen Sdn Bhd and his son, Dato' Douglas Cheng Heng Lee, pursuant to Section 134(12)(c) of the Companies Act, 1965.

[#] Deemed interest through Distinct Rich Sdn. Bhd.

^{*} Deemed interest through Actual Ace Sdn. Bhd.

DIRECTORS' SHAREHOLDINGS IN RELATED CORPORATIONS

Name	Direct		Indirect	
	No. of Shares held in Related Corporation	%	No. of Shares held in Related Corporation	%
<u>Tan Sri Dato' Cheng Joo Teik</u> Wire Master Spring Sdn. Bhd.	1	@	-	-
<u>Tan Sri Datuk Chu Sui Kiong*</u> Wire Master Spring Sdn. Bhd.	-	-	1,439,998 [#]	96.00
Remarkable Group Limited	-	-	1 [^]	50.00
Lao-Malaysia Investments Group	-	-	750,000 [^]	75.00

Notes:

[#] Ordinary Shares of RM1.00 each

[^] Shares of USD1.00 each

@ Negligible

ANALYSIS OF SHAREHOLDINGS (Cont'd)

as at 31 July 2015

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	1,729,300	3.86
8	HLIB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR LOH SUAN PHANG	1,592,300	3.56
9	CHIEW KOK BOO	1,359,900	3.04
10	CIMB GROUP NOMINEES (ASING) SDN. BHD. - SNOWSHILL SECURITIES LIMITED	1,282,800	2.87
11	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. - CIMB BANK FOR DOUGLAS CHENG HENG LEE	1,000,000	2.23
12	LIM HEOK CHYE	967,962	2.16
13	TAN BOON SENG	827,032	1.85
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	LIM SIN KHONG	413,514	0.92
25	KENNETH TAN KENG HAN	352,600	0.79
26	LIM CHEE KIAT	317,800	0.71
27	HIEW VUN KEE	309,796	0.69
28	ABUL HASAN BIN MOHAMED RASHID	306,000	0.68
29	GOH MO LOOI	296,000	0.67
30	YONG KIAN KEONG	271,749	0.61

PROXY FORM

NO. OF SHARES HELD

WIDETECH (MALAYSIA) BERHAD

(113939-U)

I/We _____
(FULL NAME IN BLOCK LETTERS)

I/C No./Co. No./CDS A/C No _____

of _____
(Full address)

being a member/members of WIDETECH (MALAYSIA) BERHAD hereby appoint the following person(s):-

<u>Name of proxy, NRIC No. & Address</u>	<u>% of shares to be represented by proxy</u>
1. _____	_____
_____	_____
2. _____	_____
_____	_____

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Thirty-First Annual General Meeting ("AGM") of the Company to be held at Dewan Perdana 1, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Monday, 28 September 2015 at 10.30 a.m. My /our proxy/proxies is/are to vote as indicated below:-

RESOLUTIONS RELATING TO :-	FIRST PROXY		SECOND PROXY	
	For	Against	For	Against
Ordinary Resolution 1 – Re-election of Dato' Lim Kim Huat as Director				
Ordinary Resolution 2 – Re-election of Datuk Ng Bee Ken as Director				
Ordinary Resolution 3 – Re-election of Mr. Kong Sin Seng as Director				
Ordinary Resolution 4 – Re-election of Mr. Tan Boon Seng as Director				
Ordinary Resolution 5 – Re-appointment of Messrs SJ Grant Thornton as Auditors of the Company and to authorise the Directors to fix their remuneration				
Ordinary Resolution 6 – Authority to Directors to issue shares pursuant to Section 132D of the Companies Act, 1965				

(Please indicate with a "v" or "X" in the space provided how you wish your vote(s) to be cast. If no instruction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.)

Dated this _____ day of _____ 2015

Signature/Common Seal

NOTES:

- For the purpose of determining a member who shall be entitled to attend, speak and vote at the Thirty-First AGM, the Company shall be requesting the Record of Depositors as at 21 September 2015. Only a depositor whose name appears on the Record of Depositors as at 21 September 2015 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.
- A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. A member may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy in a poll and the first named proxy shall be entitled to vote on a show of hands.
- Where a member is an authorised nominee as defined under the Central Depositories Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- 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 authorized nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be executed under its Common Seal or under the hand of an officer or attorney of the corporation duly authorised.
- The Form of Proxy shall be deposited at the Registered Office of the Company at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.

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The Company Secretaries

WIDETECH (MALAYSIA) BERHAD (113939-U)

Level 15-2, Bangunan Faber Imperial Court

Jalan Sultan Ismail

50250 Kuala Lumpur

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