

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report8. AUDITED FINANCIAL STATEMENTS (Continued)
8.4 Audited Financial Statements of PT Dolphin (Continued)
8.4.1 Audited Statements of Profit or Loss and Other Comprehensive Income of PT Dolphin (Continued)

	FPE 16 May 2011 to 31 December		FYE 31 December		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Loss before tax	(334,517)	(117)	(6,418,420)	(2,101)	(8,089,427)	(2,439)	(1,716,817)	(473)
Income tax								
Current	-	-	(923,303)	(302)	(867,324)	(261)	(130,186)	(36)
Net loss	(334,517)	(117)	(7,341,723)	(2,403)	(8,956,751)	(2,700)	(1,847,003)	(509)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive loss for the financial year	(334,517)	(117)	(7,341,723)	(2,403)	(8,956,751)	(2,700)	(1,847,003)	(509)
Gross (loss)/profit margin (%)	-	-	(20.84)	(20.84)	0.97	0.97	8.68	8.67
Loss before tax margin (%)	-	-	(27.30)	(27.30)	(36.52)	(36.52)	(25.53)	(25.48)
Effective tax rate (%)	-	-	(14.39)	(14.39)	(10.72)	(10.72)	(7.58)	(7.61)
Weighted average number of ordinary shares in issue ('000)	81	81	150	150	307	307	307	307
Gross LPS (IDR/RM)	(4,129.84)	(1.44)	(42,789.47)	(14.01)	(26,349.93)	(7.94)	(5,592.24)	(1.54)
Net LPS (IDR/RM)	(4,129.84)	(1.44)	(48,944.82)	(16.02)	(29,175.08)	(8.79)	(6,016.30)	(1.66)

Notes: (i) Gross LPS is computed based on loss before tax for the financial period/year over the weighted average number of ordinary shares in issue.

(ii) Net LPS is computed based on net loss after tax for the financial period/year over the weighted average number of ordinary shares in issue.

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DOLPHIN INTERNATIONAL BERHAD
Accountants' Report8. AUDITED FINANCIAL STATEMENTS (Continued)
8.4 Audited Financial Statements of PT Dolphin (Continued)
8.4.2 Audited Statements of Financial Position of PT Dolphin

The audited statements of financial position of PT Dolphin as at 31 December 2011, 31 December 2012, 31 December 2013 and 31 December 2013 are as follows:-

	Note	2011		2012		As at 31 December		2013		2014	
		IDR'000	RM'000	IDR'000 (Restated)	RM'000 (Restated)	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Current Assets											
Cash in hand and in banks	8.4.5(e)	2,911,907	1,010	1,031,205	327	1,112,114	299	579,744	163		
Trade receivables:											
- Related parties - net	8.4.5(f)	-	-	32,940	10	-	-	-	-	-	-
- Third parties - net	8.4.5(q)	-	-	5,175,525	1,641	436,865	118	2,556,053	721		
Other receivables - third parties - net		-	-	20,000	6	-	-	-	-	-	-
Inventories	8.4.5(g)	-	-	-	-	251,719	68	756,269	213		
Gross amount due from project owners	8.4.5(h)	-	-	2,383,643	756	4,357,520	1,172	-	-		
Prepaid taxes	8.4.5(d)	-	-	-	-	294,485	79	-	-		
Advance and prepayments	8.4.5(i)	49,156	17	493,833	157	610,760	164	202,210	57		
Total Current Assets		2,961,063	1,027	9,137,146	2,897	7,063,463	1,900	4,094,276	1,154		



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Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.4 Audited Financial Statements of PT Dolphin (Continued)****8.4.2 Audited Statements of Financial Position of PT Dolphin (Continued)**

	Note	2011		2012		2013		2014	
		IDR'000	RM'000	IDR'000 (Restated)	RM'000 (Restated)	IDR'000	RM'000	IDR'000	RM'000
As at 31 December									
Non-Current Assets									
Due from related parties	8.4.5(q)	-	-	810,051	257	592,501	159	-	-
Prepayments	8.4.5(i)	-	-	-	-	60,000	16	475,000	134
Fixed assets - net of accumulated Depreciation amounting to IDR30,993,083 (2011: IDR Nil, 2012: IDR149,176,333 and 2013: IDR14,160,357)	8.4.5(j)	-	-	1,133,740	359	105,385	28	125,591	35
Guarantee deposits		3,000	1	13,000	4	23,000	6	23,000	6
Other assets	8.4.5(k)	-	-	-	-	866,467	233	612,867	173
Total Non-Current Assets		3,000	1	1,956,791	620	1,647,353	442	1,236,458	348
Total Assets		2,964,063	1,028	11,093,937	3,517	8,710,816	2,342	5,330,734	1,502



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DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.4 Audited Financial Statements of PT Dolphin (Continued)

8.4.2 Audited Statements of Financial Position of PT Dolphin (Continued)

	Note	2011		2012		2013		2014	
		IDR'000	RM'000	IDR'000 (Restated)	RM'000 (Restated)	IDR'000	RM'000	IDR'000	RM'000
Current Liabilities									
Trade payables:									
- Related parties	8.4.5(l)	-	-	66,030	21	2,201,758	592	-	-
- Third parties	8.4.5(q)	-	-	2,688,251	852	513,300	138	-	-
Other payables to third parties		-	-	135,500	43	-	-	-	-
Gross amount due to project owners	8.4.5(h)	-	-	-	-	8,161	2	-	-
Taxes payable	8.4.5(d)	4,377	2	932,497	296	1,161,806	313	1,249,071	352
Accrued expenses	8.4.5(m)	38,024	13	5,321	2	1,425,576	383	83,691	24
Advance from customers	8.4.5(n)	159,353	55	5,075,000	1,609	-	-	-	-
Total Current Liabilities		201,754	70	8,902,599	2,823	5,310,601	1,428	1,332,762	376
Non-Current Liabilities									
Due to related parties		1,769,546	614	8,470,052	2,685	5,198	1	2,449,177	691
Long-term employee benefits liabilities		-	-	70,246	22	49,528	13	50,309	14
Total Non-Current Liabilities		1,769,546	614	8,540,298	2,707	54,726	14	2,499,486	705
Total Liabilities		1,971,300	684	17,442,897	5,530	5,365,327	1,442	3,832,248	1,081



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Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.4 Audited Financial Statements of PT Dolphin (Continued)****8.4.2 Audited Statements of Financial Position of PT Dolphin (Continued)**

	Note	2011		2012		2013		2014	
		IDR'000	RM'000	IDR'000 (Restated)	RM'000 (Restated)	IDR'000	RM'000	IDR'000	RM'000
Equity									
Capital stock - IDR 8,574 (USD 1) par value per share		1,286,100	457	1,286,100	457	15,004,500	4,146	15,004,500	4,146
Authorized - 1,750,000 shares as of December 31, 2014 and 2013 and 400,000 shares as of December 31, 2012 and January 1, 2012. Subscribed and fully paid - 1,750,000 shares as of December 31, 2014 and 2013, and 150,000 shares as of December 31, 2012 and January 1, 2012	8.4.5(o)	41,180	15	41,180	15	4,973,980	1,342	4,973,980	1,342
Foreign exchange difference in paid-in-capital	8.4.5(p)	(334,517)	(117)	(7,676,240)	(2,520)	(16,632,991)	(5,220)	(18,479,994)	(5,729)
Deficit		-	(11)	-	35	-	632	-	662
Foreign currency translation reserve		992,763	344	(6,348,960)	(2,013)	3,345,489	900	1,498,486	421
Total Equity/(Capital deficiency)		2,964,063	1,028	11,093,937	3,517	8,710,816	2,342	5,330,734	1,502
Total Liabilities and Equity									

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Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.4 Audited Financial Statements of PT Dolphin (Continued)****8.4.2 Audited Statements of Financial Position of PT Dolphin (Continued)**

	As at 31 December							
	2011		2012		2013		2014	
	IDR'000	RM'000	IDR'000 (Restated)	RM'000 (Restated)	IDR'000	RM'000	IDR'000	RM'000
<i>Number of ordinary shares</i>	150	150	150	150	150	1,750	1,750	1,750
<i>of USD1.00 each in issue ('000)</i>								
<i>NTA/(NTL) (IDR/RM'000)</i>	992,763	344	(6,348,960)	(2,013)	3,345,489	900	1,498,486	421
<i>NTA/(NTL) per ordinary share (IDR/RM)</i>	6,618.42	2.29	(42,326.40)	(13.42)	1,911.71	0.51	856.28	0.24
<i>NA/(NL) (IDR/RM'000)</i>	992,763	344	(6,348,960)	(2,013)	3,345,489	900	1,498,486	421
<i>NA/(NL) per ordinary share (IDR/RM)</i>	6,618.42	2.29	(42,326.40)	(13.42)	1,911.71	0.51	856.28	0.24



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DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.4 Audited Financial Statements of PT Dolphin (Continued)

8.4.3 Audited Statements of Changes in Equity of PT Dolphin

The audited statements of changes in equity of PT Dolphin from 16 May 2011 (Date of establishment) to 31 December 2011, FYE 31 December 2012, FYE 31 December 2013 and FYE 31 December 2014 are as follows:-

	Note	Capital Stock		Paid-in Capital	Foreign Exchange Difference in	Translation Reserve	Deficit		Total Equity	
		IDR'000	RM'000				IDR'000	RM'000		IDR'000
Paid-in capital		1,286,100	457	41,180	15	-	-	-	1,327,280	472
Total comprehensive loss for the financial year		-	-	-	-	(11)	(334,517)	(117)	(334,517)	(128)
Balance as of December 31, 2011		1,286,100	457	41,180	15	(11)	(334,517)	(117)	992,763	344
Total comprehensive loss for the financial year		-	-	-	-	46	(7,341,723)	(2,403)	(7,341,723)	(2,357)
Balance as of December 31, 2012		1,286,100	457	41,180	15	35	(7,676,240)	(2,520)	(6,348,960)	(2,013)
Paid-in-Capital	8.4.5(o)	13,718,400	3,689	4,932,800	1,327	597	-	-	18,651,200	5,613
Total comprehensive loss for the financial year		-	-	-	-	-	(8,956,751)	(2,700)	(8,956,751)	(2,700)
Balance as of December 31, 2013		15,004,500	4,146	4,973,980	1,342	632	(16,632,991)	(5,220)	3,345,489	900
Total comprehensive loss for the financial year		-	-	-	-	30	(1,847,003)	(509)	(1,847,003)	(479)
Balance as of December 31, 2014		15,004,500	4,146	4,973,980	1,342	662	(18,479,994)	(5,729)	1,498,486	421



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DOLPHIN INTERNATIONAL BERHAD
 Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)
8.4 Audited Financial Statements of PT Dolphin (Continued)
8.4.4 Audited Statements of Cash Flows of PT Dolphin

The audited statements of cash flows of PT Dolphin for the FPE 16 May 2011 (Date of establishment) to 31 December 2011, FYE 31 December 2012, FYE 31 December 2013 and FYE 31 December 2014 are as follows:-

	FPE 16 May 2011		----- FYE 31 December ----->					
	to 31 December		2012		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
			(Restated)	(Restated)				
CASH FLOWS FROM OPERATING ACTIVITIES								
Loss before tax	(334,517)	(117)	(6,418,420)	(2,101)	(8,089,427)	(2,439)	(1,716,817)	(473)
Adjustments to reconcile loss before tax to Net cash used in operating activities :								
Depreciation	-	-	149,176	48	12,917	4	16,833	5
Depreciation of unused fixed assets	-	-	-	-	253,600	76	253,600	70
Provision / (Recovery) for employee benefits liability	-	-	70,246	23	(20,718)	(6)	781	#
Net unrealised loss on foreign exchange	-	-	407,623	133	506,559	153	68,495	19
Net realised loss / (gain) on foreign exchange	-	-	(491,639)	(161)	4,685,822	1,413	(581,799)	(161)
Decrease / (Increase) in:								
Trade receivables	-	-	(5,109,780)	(1,672)	4,796,123	1,446	(1,819,006)	(502)
Other receivables	-	-	(20,000)	(7)	(56,874)	(17)	-	-
Inventories	-	-	-	-	(251,719)	(76)	(504,550)	(139)
Prepaid taxes	-	-	-	-	(297,641)	(90)	294,485	81
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DOLPHIN INTERNATIONAL BERHAD
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8. AUDITED FINANCIAL STATEMENTS (Continued)

8.4 Audited Financial Statements of PT Dolphin (Continued)

8.4.4 Audited Statement of Cash Flows of PT Dolphin (Continued)

	FPE 16 May 2011 to 31 December		2012		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
			(Restated)	(Restated)				
			←----- FYE 31 December ----->					
			(Restated)					
			(Restated)					
CASH FLOWS FROM OPERATING ACTIVITIES (Continued)								
Gross amount due from project owners	-	-	(2,383,643)	(781)	(1,973,876)	(595)	4,357,519	1,202
Advance and prepayments	(49,156)	(17)	(442,144)	(145)	(176,927)	(53)	(6,449)	(2)
Guarantee deposits	(3,000)	(1)	(10,000)	(3)	(10,000)	(3)	-	-
Increase / (Decrease) in:								
Trade payables	-	-	2,870,096	940	(605,095)	(182)	(2,715,058)	(749)
Other payables	-	-	(341,722)	(112)	(135,500)	(41)	-	-
Accrued expenses	38,024	13	(32,702)	(11)	1,388,163	419	(1,302,218)	(359)
Gross amount due to project owners	-	-	-	-	8,161	2	(8,161)	(2)
Taxes payables	4,377	2	4,721	2	42,627	13	(42,921)	(12)
Advances from customer	159,353	56	4,915,646	1,610	(5,075,000)	(1,530)	-	-
	(184,919)	(64)	(6,832,542)	(2,237)	(4,998,805)	(1,506)	(3,705,266)	(1,022)
Cash Used in Operating Activities	-	-	-	-	(680,642)	(205)	-	-
Payment for corporate income tax	(184,919)	(64)	(6,832,542)	(2,237)	(5,679,447)	(1,711)	(3,705,266)	(1,022)
Net Cash Used in Operating Activities								

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
- 8.4 **Audited Financial Statements of PT Dolphin (Continued)**
- 8.4.4 **Audited Statement of Cash Flows of PT Dolphin (Continued)**

	FPE 16 May 2011 to 31 December 2011	FYE 31 December		
	2011	2012	2013	2014
	IDR'000	IDR'000	IDR'000	IDR'000
	RM'000	RM'000	RM'000	RM'000
		(Restated)	(Restated)	(Restated)
CASH FLOWS FROM INVESTING ACTIVITY				
Acquisition of fixed assets	-	(1,282,916)	(420)	(104,629)
			(32)	(37,039)
			(10)	(10)
CASH FLOWS FROM FINANCING ACTIVITIES				
Paid-in Capital	1,327,280	-	-	-
Decrease in due from Related Parties	-	6,491,026	2,126	217,550
Increase / (Decrease) in due to Related Parties	1,769,546	(744,150)	(244)	5,442,007
Net Cash Provided by Financing Activities	3,096,826	5,746,876	1,882	5,659,557
			1,707	3,273,047
			903	903



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DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.4 Audited Financial Statements of PT Dolphin (Continued)

8.4.4 Audited Statement of Cash Flows of PT Dolphin (Continued)

	FPE 16 May 2011 to 31 December 2011		FYE 31 December		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
			(Restated)	(Restated)				
			(Restated)					
NET INCREASE/(DECREASE) IN CASH IN HAND AND AT BANKS	2,911,907	1,021	(2,368,582)	(775)	(124,519)	(36)	(469,258)	(129)
Foreign exchange differences	-	(11)	-	(68)	-	(54)	-	12
EFFECTS OF EXCHANGE RATE CHANGES IN CASH IN HAND AND AT BANKS	-	-	487,880	160	205,428	62	(63,112)	(19)
CASH IN HAND AND AT BANKS, BEGINNING	-	-	2,911,907	1,010	1,031,205	327	1,112,114	299
CASH IN HAND AND AT BANKS, ENDING	2,911,907	1,010	1,031,205	327	1,112,114	299	579,744	163



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.4 Audited Financial Statements of PT Dolphin (Continued)****8.4.5 Notes to the Audited Financial Statements of PT Dolphin****(a) Revenue**

	FPE 16 May 2011 to 31 December 2011		2012		FYE 31 December 2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Construction services	-	-	23,082,562	7,559	21,683,106	6,538	3,254,655	898
Trading and maintenance services	-	-	426,454	140	465,121	140	3,470,969	958
TOTAL	-	-	23,509,016	7,699	22,148,227	6,678	6,725,624	1,856



11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.4 Audited Financial Statements of PT Dolphin (Continued)

8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)

(b) Cost of Sales

	FPE 16 May 2011 to 31 December 2011		FYE 31 December 2012		FYE 31 December 2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Construction Services								
Material used	-	-	22,484,053	7,364	19,507,948	5,882	59,325	16
Direct labor	-	-	374,786	123	432,604	130	-	-
Subcontract fees	-	-	3,774,979	1,236	462,790	140	3,351,073	925
Indirect project costs	-	-	1,462,436	478	1,200,517	362	43,369	12
Total	-	-	28,096,254	9,201	21,603,859	6,514	3,453,767	953
Trading and Maintenance Services								
Purchases	-	-	311,288	102	264,470	80	2,224,560	614
Direct labor	-	-	-	-	48,067	14	247,355	68
Indirect project costs	-	-	-	-	16,466	5	169,554	47
Others	-	-	-	-	-	-	46,865	13
Total	-	-	311,288	102	329,003	99	2,688,334	742
TOTAL	-	-	28,407,542	9,303	21,932,862	6,613	6,142,101	1,695



11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
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8. AUDITED FINANCIAL STATEMENTS (Continued)

8.4 Audited Financial Statements of PT Dolphin (Continued)

8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)

(c) Operating Expenses

	FPE 16 May 2011		to 31 December		FYE 31 December		2013		2014	
	2011		2012		2013		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Travelling and transportation	47,251	17	349,049	115	725,008	218	456,850	125		
Commissions	-	-	-	-	490,757	148	85,191	24		
Professional fees	-	-	96,500	32	433,992	131	370,628	102		
Salaries and allowances	200,945	70	195,711	64	404,364	122	455,932	126		
Rentals	13,956	5	141,682	46	320,561	97	427,699	118		
Stationery, printing and stamp duty	8,126	3	75,481	25	136,068	41	78,534	22		
Telephone and utilities	8,535	3	32,279	11	93,141	28	91,832	25		
Permit fees	-	-	55,835	18	91,127	27	29,557	8		
Repairs and maintenance	6,568	2	149,537	49	21,643	7	17,695	5		
Entertainment	9,007	3	15,691	5	12,633	4	2,013	1		
Income Tax Article 21	4,377	2	21,519	7	7,619	2	37,129	10		
Employee benefit	-	-	70,245	23	-	-	781	-		
Loss on foreign exchange - net	1,162	*	-	-	-	-	-	-		
Others	37,442	13	129,615	42	113,341	34	114,406	32		
Total	337,369	118	1,333,144	437	2,850,254	859	2,168,247	598		

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11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
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	FPE 16 May 2011 to 31 December 2011		2012 (Restated)		FYE 31 December		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
8. AUDITED FINANCIAL STATEMENTS (Continued)								
8.4 Audited Financial Statements of PT Dolphin (Continued)								
8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)								
(d) Taxation								
Prepaid Tax								
Prepaid Tax	-	-	-	-	294,485	79	-	-
Value added tax								
Taxes Payable								
Value added tax	-	-	-	-	-	-	5,196	1
Income Tax Article 21	4,377	2	6,298	2	1,086	#	3,704	1
Income Tax Article 23	-	-	2,896	1	3,745	1	-	-
Income Tax Article 4 (2)	-	-	-	-	46,990	13	-	-
Final income tax on construction services	-	-	923,303	293	1,109,985	299	1,240,171	350
Total	4,377	2	932,497	296	1,161,806	313	1,249,071	352
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11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.4 Audited Financial Statements of PT Dolphin (Continued)

8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)

(d) Taxation (Continued)

Income Tax

The reconciliations between loss before tax based on the statements of profit or loss and other comprehensive income and fiscal loss for the FPE 31 December 2011, FYE 31 December 2012, FYE 31 December 2013 and FYE 31 December 2014 are as follows:

	FPE 16 May 2011 to 31 December 2011		2012 (Restated)		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Loss before Tax	(334,517)	(117)	(6,418,420)	(2,101)	(8,089,427)	(2,439)	(1,716,817)	(474)
Positive corrections:								
Cost of contracts on revenues - final	-	-	28,096,255	9,202	21,857,459	6,590	3,435,767	948
Operating expenses on revenues - final	-	-	1,333,144	437	2,850,254	859	1,008,159	278
Loss on foreign exchange	-	-	-	-	5,192,382	1,566	-	-
Difference of depreciation commercial	-	-	-	-	-	-	4,499	1
Income Tax Article 21	4,377	2	-	-	-	-	-	-
Taxes	-	-	303,157	99	41,481	13	488,767	135
Others	15,976	6	-	-	-	-	-	-
Total positive corrections	20,353	8	29,732,556	9,738	29,941,576	9,028	4,937,192	1,362



11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)	FPE 16 May 2011		FYE 31 December 2012		FYE 31 December 2013		FYE 31 December 2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
8.4 Audited Financial Statements of PT Dolphin (Continued)								
8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)								
(d) Taxation (Continued)								
Income Tax (Continued)								
Negative corrections:								
Revenues - final	-	-	(23,082,562)	(7,559)	(21,683,106)	(6,538)	(3,254,655)	(898)
Gain on foreign exchange	-	-	(84,016)	(28)	-	-	(248,397)	(69)
Interest income	(2,852)	(1)	(15,300)	(5)	(12,207)	(4)	(12,047)	(3)
Differences of depreciation fiscal and commercial	-	-	-	-	-	-	(9,298)	(3)
Others	-	-	(17,091)	(6)	(20,718)	(6)	-	-
Total negative corrections	(2,852)	(1)	(23,198,969)	(7,598)	(21,716,031)	(6,548)	(3,524,397)	(973)
Fiscal income/(loss)	(317,016)	(111)	115,167	38	136,118	41	(286,021)	(79)
Accumulated fiscal loss, beginning 2011 (after compensation)	-	-	(317,016)	(111)	(201,849)	(73)	(65,731)	(18)
Accumulated fiscal loss, ending	(317,016)	(111)	(201,849)	(73)	(65,731)	(32)	(351,752)	(97)



11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report8. AUDITED FINANCIAL STATEMENTS (Continued)
8.4 Audited Financial Statements of PT Dolphin (Continued)
8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)
(d) Taxation (Continued)
Income Tax (Continued)

	FPE 16 May 2011 to 31 December				
	2011	2012	2013	2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000
Revenue on construction services - final	-	-	23,082,562	7,559	21,683,106
Income tax on construction services - final (4%)	-	-	923,303	302	867,324
Final income tax payable beginning	-	-	-	-	923,303
Prepaid tax:					
Final income tax on construction Services already paid or withheld	-	-	-	-	(680,642)
Foreign exchange differences	-	-	-	-	(59)
Final income tax payable, ending	-	-	923,303	302	1,109,985
					299
					1,240,171
					342
					299
					130,186
					36
					299
					302
					1,109,985
					299
					302
					6,538
					3,254,655
					898

On July 20, 2008, the Government issued Regulation No. 51 of 2008 regarding "Income Taxes on Income From Construction Services Business" stipulating that income taxes on construction service fees are considered as a final tax effective on January 1, 2008, changed to August 1, 2008 based on Government Regulation No. 40 dated June 4, 2009.



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
 8.4 **Audited Financial Statements of PT Dolphin (Continued)**
 8.4.5 **Notes to the Audited Financial Statements of PT Dolphin (Continued)**
 (d) **Taxation (Continued)**
Income Tax (Continued)

Since PT Dolphin's main operation is subjected to a final tax, the difference between the financial statements carrying amounts of assets and liabilities and their respective tax basis is not recognised as deferred tax assets or liabilities.

Reconciliation of Corporate Income Tax

The reconciliations between the tax expense and the calculation of income before income tax and the applicable tax rate are as follows:

	16 May 2011 to		FYE 31 December		FYE 31 December		FYE 31 December	
	31 December	2011	FYE 31 December	2012	FYE 31 December	2013	FYE 31 December	2014
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Loss before tax	(334,517)	(117)	(6,418,420)	(2,101)	(8,089,427)	(2,439)	(1,716,817)	(473)
Income tax based on the prevailing tax rates	(83,629)	(30)	(1,604,605)	(526)	(2,022,357)	(610)	(429,204)	(118)
Tax effects on:								
Fiscal corrections	4,375	2	1,633,397	535	2,056,386	620	357,699	98
Fiscal loss/(compensation)	-	-	(28,792)	(9)	(34,029)	(10)	71,505	20
Current tax expense - final	-	-	923,303	302	867,324	261	130,186	36
Undetermined fiscal loss benefits	79,254	28	-	-	-	-	-	-
Tax expense	-	-	923,303	302	867,324	261	130,186	36



11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.4 Audited Financial Statements of PT Dolphin (Continued)

8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)

(d) Taxation (Continued)

Income Tax (Continued)

Indonesian Tax Administration

Based on the prevailing Indonesian tax regulations, PT Dolphin's commercial income or loss and its tax reconciliation are based on the taxpayer's self assessment in its annual tax return. The tax authorities may assess the tax calculation within five (5) years after the tax becomes due. Should there be no examination from the tax authorities during such period, the annual tax return is considered final. Other tax liabilities, if any, will be calculated and paid as and when they fall due.



11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.4 Audited Financial Statements of PT Dolphin (Continued)

8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)

(e) Cash In Hand and At Banks

	As at 31 December							
	2011		2012		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Cash in hand	16,409	6	28,905	9	29,094	8	38,836	11
Petty Cash								
Cash at banks								
PT Bank CIMB Niaga Tbk - USD	1,505,217	522	486,551	154	461,209	124	130,685	37
PT Bank CIMB Niaga Tbk	1,390,281	482	204,944	65	444,715	120	356,021	100
PT Bank UOB Indonesia	-	-	-	-	164,044	44	53,164	15
PT Bank QNB Kesawan - USD	-	-	9,670	3	11,519	3	-	-
PT Bank Muamalat Indonesia Tbk	-	-	-	-	1,000	^	1,038	#
PT Bank QNB Kesawan	-	-	301,135	96	533	>	-	-
Total Cash at banks	2,895,498	1,004	1,002,300	318	1,083,020	291	540,908	152
Total Cash in hand and at banks	2,911,907	1,010	1,031,205	327	1,112,114	299	579,744	163

^ RM269

> RM143

RM293



11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.4 Audited Financial Statements of PT Dolphin (Continued)

8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)

(f) Trade Receivables

	As at 31 December							
	2011		2012		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Related Party								
Dolphin Applications	-	-	32,940	10	-	-	-	-
Third Parties								
PT Argo Indomas	-	-	-	-	139,037	38	39,681	11
PT Harapan Sawit Lestari	-	-	-	-	52,620	15	3,572	1
PT Dwie Warna Karya	-	-	360,728	115	-	-	-	-
PT Swadaya Mukti Prakarsa	-	-	150,797	48	-	-	-	-
PT Dharma Satya Nusantara	-	-	4,664,000	1,478	119,856	32	1,282,451	362
PT Sintang Agro Mandiri	-	-	-	-	-	-	373,500	106
PT Meskom Agro Sari Mas	-	-	-	-	-	-	226,954	64
PT Kintap Jaya Wattindo	-	-	-	-	-	-	154,948	44
PT Agro Bukit	-	-	-	-	-	-	148,139	42
PT Tri Bakti Sarimas	-	-	-	-	-	-	127,308	36
PT Feirco Agro Mandiri	-	-	-	-	-	-	72,757	21
Others (Accounts with balances below IDR50,000,000, each)	-	-	-	-	125,352	34	126,743	34
Total	-	-	5,175,525	1,641	436,865	119	2,556,053	721
TOTAL	-	-	5,208,465	1,651	436,865	119	2,556,053	721



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.4 Audited Financial Statements of PT Dolphin (Continued)****8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)****(f) Trade Receivables (Continued)**

Based on the review of the status of each individual receivable account at year-end, the management believe that all receivables are collectible. Accordingly, no provision for impairment of receivables were provided.

(g) Inventories

This account represent PT Dolphin's inventories of spare parts as at 31 December 2014 amounting to IDR756,268,680 (equivalent to RM213,268) (2011 and 2012: IDR Nil and RM Nil and 2013: IDR251,718,909 (equivalent to RM67,712)), respectively.

Based on the result of inventory condition review at financial year end, management believes that no provision for impairment of inventories should be made as at FYE 31 December 2011, FYE 31 December 2012, FYE 31 December 2013 and FYE 31 December 2014.



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
- 8.4 **Audited Financial Statements of PT Dolphin (Continued)**
- 8.4.5 **Notes to the Audited Financial Statements of PT Dolphin (Continued)**
- (h) **Gross Amount Due from/(to) Project Owners**

	As at 31 December							
	2011		2012		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Gross Amount Due from Project Owners	-	-	27,676,403	8,774	49,096,241	13,207	52,553,140	14,820
Aggregate cost incurred to date	-	-	(4,593,841)	(1,456)	(4,613,682)	(1,241)	(5,133,922)	(1,448)
Attributable profits less recognised losses	-	-	23,082,562	7,318	44,482,559	11,966	47,419,218	13,372
Total	-	-	(20,698,919)	(6,562)	(40,125,039)	(10,794)	(47,419,218)	(13,372)
Less: Progress billings on contracts	-	-	2,383,643	756	4,357,520	1,172	-	-
TOTAL	-	-	-	-	-	-	-	-



11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report8. AUDITED FINANCIAL STATEMENTS (Continued)
8.4 Audited Financial Statements of PT Dolphin (Continued)
8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)
(h) Gross Amount Due from/(to) Project Owners (Continued)

	As at 31 December							
	2011		2012		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Gross Amount Due to Project Owners								
Aggregate costs incurred to date	-	-	-	-	184,021	50	395,707	112
Attributable profits less recognised losses	-	-	-	-	99,088	27	205,397	58
Total	-	-	-	-	283,109	77	601,104	170
Less: Progress billings on contracts	-	-	-	-	(291,270)	(79)	(601,104)	(170)
Total	-	-	-	-	(8,161)	(2)	-	-
Third Parties								
PT Dharma Satya Nusantara	-	-	1,708,668	542	3,335,207	897	-	-
PT Sintang Agro Mandiri	-	-	369,231	117	942,636	254	-	-
PT Dwie Warna Karya	-	-	305,744	97	79,677	21	-	-
Total	-	-	2,383,643	756	4,357,520	1,172	-	-

Gross amount due to project owners for the construction works in progress as of 31 December 2013 represents the amount due to PT Agro Indomas, a third party.



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.4 Audited Financial Statements of PT Dolphin (Continued)****8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)****(i) Advances and Prepayments**

	2011		2012		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Current								
Advances								
Operations	15,096	5	10,500	3	295,760	80	141,309	40
Prepayments								
Rentals	34,060	12	483,333	154	315,000	84	60,000	17
Insurance	-	-	-	-	-	-	901	#
Total	49,156	17	493,833	157	610,760	164	202,210	57
Non Current								
Prepayments								
Rentals	-	-	-	-	60,000	16	475,000	134
TOTAL	49,156	17	493,833	157	670,760	180	677,210	191
#								

RM254




11. ACCOUNTANTS' REPORT (Cont'd)
DOLPHIN INTERNATIONAL BERHAD

Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)
8.4 Audited Financial Statements of PT Dolphin (Continued)
8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)
(j) Fixed Assets

	Office Equipment		Furniture and Fittings		Renovations		Machinery		Total	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
At Cost										
At 16 May 2011 (date of establishment)	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-
At 31 December 2011	14,916	5	-	-	-	-	1,268,000	415	1,282,916	420
Foreign exchange translation adjustment	-	(1)	-	-	-	-	-	(13)	-	(14)
At 31 December 2012	14,916	4	-	-	-	-	1,268,000	402	1,282,916	406
Additions	22,100	7	23,997	7	58,532	18	-	-	104,629	32
Deductions	-	-	-	-	-	-	(1,268,000)	(382)	(1,268,000)	(382)
Foreign exchange translation adjustment	-	(1)	-	(1)	-	(2)	-	(20)	-	(24)
At 31 December 2013	37,016	10	23,997	6	58,532	16	-	-	119,545	32
Additions	14,926	4	12,413	3	9,700	3	-	-	37,039	10
Foreign exchange translation adjustment	-	1	-	1	-	-	-	-	-	2
At 31 December 2014	51,942	15	36,410	10	68,232	19	-	-	156,584	44

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8.4.5 (i)	Notes to the Audited Financial Statements of PT Dolphin (Continued)											
	Fixed Assets (Continued)		Office Equipment		Furniture and Fittings		Renovations		Machinery		Total	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
8. AUDITED FINANCIAL STATEMENTS (Continued)												
8.4 Audited Financial Statements of PT Dolphin (Continued)												
8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)												
(i) Fixed Assets (Continued)												
Accumulated Depreciation												
At 16 May 2011	-	-	-	-	-	-	-	-	-	-	-	-
(date of establishment)	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charges for the financial period	-	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2011	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charges for the financial year	1,243	*	-	-	-	-	-	-	147,933	48	149,176	48
Foreign exchange translation adjustment	-	>	-	-	-	-	-	-	-	(1)	-	(1)
At 31 December 2012	1,243	^	-	-	-	-	-	-	147,933	47	149,176	47
Depreciation charges for the financial year	5,009	2	2,200	1	5,708	1	-	-	253,600	76	266,517	80
Deductions	-	-	-	-	-	-	-	-	(401,533)	(121)	(401,533)	(121)
Foreign exchange translation adjustment	-	#	-	<	-	-	&	-	-	(2)	-	(2)
At 31 December 2013	6,252	2	2,200	#	5,708	2	-	-	-	-	14,160	4
Depreciation charges for the financial year	7,111	2	2,980	1	6,742	2	-	-	-	-	16,833	5
At 31 December 2014	13,363	4	5,180	1	12,450	4	-	-	-	-	30,993	9
* RM407 > (RM113)	^	RM394	#	(RM222)	<	(RM72)	&	(RM185)	#	RM592		



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
 8.4 **Audited Financial Statements of PT Dolphin (Continued)**
 8.4.5 **Notes to the Audited Financial Statements of PT Dolphin (Continued)**

(j) Fixed Assets (Continued)

	Office Equipment		Furniture and Fittings		Renovations		Machinery		Total	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Net Carrying Amount										
At 31 December 2011	-	-	-	-	-	-	-	-	-	-
At 31 December 2012	13,673	4	-	-	-	-	1,120,067	355	1,133,740	359
At 31 December 2013	30,764	8	21,797	5	52,824	15	-	-	105,385	28
At 31 December 2014	38,579	11	31,230	9	55,782	15	-	-	125,591	35

Depreciation expenses for the financial period/years under review are allocated as follows:

	FPE 16 May 2011 to 31 December 2011		FYE 31 December 2012		FYE 31 December 2013		FYE 31 December 2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Other income/(charges)	-	-	147,933	48	253,600	76	-	-
Operating Expenses	-	-	1,243	^	12,917	4	16,833	5
Total	-	-	149,176	48	266,517	80	16,833	5

^ RM407



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)**
8.4 Audited Financial Statements of PT Dolphin (Continued)**8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)****(i) Fixed Assets (Continued)**

In the FYE 31 December 2013, the deductions of fixed assets amounting to IDR1,268,000,000 (equivalent to RM402,000) and its depreciation amounting to IDR401,533,333 (equivalent to RM128,000) were reclassified as other assets.

Based on management's evaluation, there were no event or changes in circumstances that indicate any decline in fixed assets value as of 31 December 2012, 31 December 2013 and 31 December 2014.

PT Dolphin's management also believes that there were no changes in the estimated useful lives and significant changes in the expected pattern on the future useful life benefit consumption (depreciated method) of the fixed assets.

(k) Other Assets

This account represents PT Dolphin's fixed assets – machinery, in which until the Statement of Financial Position date, such fixed asset has not been used.

	FPE 16 May 2011 to 31 December 2011		←----- FYE 31 December ----->		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Cost	-	-	-	-	1,268,000	382
Accumulated depreciation	-	-	-	-	(401,533)	(121)
Foreign exchange translation adjustment	-	-	-	-	-	(28)
Total	-	-	-	-	866,467	233
					612,867	173



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
- 8.4 **Audited Financial Statements of PT Dolphin (Continued)**
- 8.4.5 **Notes to the Audited Financial Statements of PT Dolphin (Continued)**

(i) Trade Payables

The details as of 31 December 2011, 31 December 2012, 31 December 2013, and 31 December 2014 are as follows:

	← 2011		2012		As at 31 December		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Related Party										
Dolphin Applications	-	-	66,030	21	2,201,758	592	-	-	-	-
Third Parties										
PT Manorian Engineering Prakarsa	-	-	1,015,444	322	351,290	94	-	-	-	-
Toko Yutori Gas	-	-	1,288,027	408	-	-	-	-	-	-
CV Tri Mitra	-	-	218,470	69	-	-	-	-	-	-
Others (Accounts with balances below IDR 100,000,000, each)	-	-	166,310	53	162,010	44	-	-	-	-
Total	-	-	2,688,251	852	513,300	138	-	-	-	-
TOTAL	-	-	2,754,281	873	2,715,058	730	-	-	-	-



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.4 Audited Financial Statements of PT Dolphin (Continued)****8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)****(m) Accrued Expenses**

	As at 31 December							
	2011		2012		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Provision for project claims	-	-	-	-	863,603	232	-	-
Commissions	-	-	-	-	555,945	149	-	-
Salaries and wages	-	-	-	-	-	-	83,691	24
Others	38,024	13	5,321	2	6,028	2	-	-
Total	38,024	13	5,321	2	1,425,576	383	83,691	24

(n) Advances from Customers

	As at 31 December							
	2011		2012		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
PT Dharma Satya Nusantara	-	-	4,400,000	1,395	-	-	-	-
PT Sintang Argo Mandiri	-	-	675,000	214	-	-	-	-
PT Dwie Warna Karya	159,353	55	-	-	-	-	-	-
Total	159,353	55	5,075,000	1,609	-	-	-	-



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.4 Audited Financial Statements of PT Dolphin (Continued)****8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)****(o) Capital Stock**

Based on Notarial Deed No. 43 dated May 16, 2011 of Public Notary Yulia, SH, PT Dolphin's authorised capital amounted to USD 400,000 or IDR3,429,600,000 with a par value of USD 1 or equivalent to IDR8,574 per share. The subscribed and fully paid capital amounted to 150,000 shares.

Based on Notarial Deed No. 11 dated December 6, 2011 of Public Notary Yulia, SH, PT Dolphin's stockholders approved the sale of PT Dolphin's 15,000 shares owned by Tjitra Loni to Lee Kim Teck.

Based on Notarial Deed No. 15 dated August 30, 2012 of Public Notary Sugeng Purnawan, SH, PT Dolphin stockholders approved the sale of PT Dolphin's 15,000 shares owned by Lee Kim Teck to Hoh Yeong Cherng.

Based on Notarial Deed No. 41 dated November 20, 2013 of Public Notary Dedy Pramono, SH, M.Kn., PT Dolphin's stockholders approved to increase the authorised capital from USD400,000 or IDR3,429,600,000 to USD1,750,000 or IDR15,004,500,000 with a par value of USD1 or equivalent to IDR8,574 per share, and to increase the subscribed and fully paid capital from USD150,000 or IDR1,286,100,000 to USD1,750,000 or IDR15,004,500,000.

The details of PT Dolphin's stock ownership as of December 31, are as follows:

Stockholders	Subscribed and Fully Paid				
	Percentage of Ownership	Number of Shares (Unit'000)	USD'000	IDR'000	RM'000
As at 31 December 2011					
Dolphin Applications	90%	135	135	1,157,490	412
Lee Kim Teck	10%	15	15	128,610	45
Total	100%	150	150	1,286,100	457



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.4 Audited Financial Statements of PT Dolphin (Continued)****8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)****(o) Capital Stock (Continued)**

Stockholders	Subscribed and Fully Paid					
	Percentage of Ownership	Number of Shares (Unit'000)	USD'000	IDR'000	RM'000	
As at 31 December 2012						
Dolphin Applications	90%	135	135	1,157,490		412
Hoh Yeong Cherg	10%	15	15	128,610		45
Total	100%	150	150	1,286,100		457
As at 31 December 2013						
Dolphin Applications	90%	1,575	1,575	13,504,050		3,731
Hoh Yeong Cherg	10%	175	175	1,500,450		415
Total	100%	1,750	1,750	15,004,500		4,146
As at 31 December 2014						
Dolphin Applications	90%	1,575	1,575	13,504,050		3,731
Hoh Yeong Cherg	10%	175	175	1,500,450		415
Total	100%	1,750	1,750	15,004,500		4,146



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
 8.4 **Audited Financial Statements of PT Dolphin (Continued)**
 8.4.5 **Notes to the Audited Financial Statements of PT Dolphin (Continued)**
 (p) **Foreign Exchange Difference in Paid-In Capital**

This account represents the difference between the foreign exchange rate stipulated in the PT Dolphin's Deed of Establishment and Articles of Association and the prevailing rates when the capital stock was paid.

- (q) **Balances and Transactions with Related Parties**

The details of significant balances and transactions with related parties are as follows:

	As at 31 December				Percentage to Total				
	2011	2012	2013	2014	2011	2012	2013	2014	
	IDR'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	%	%
Trade Receivables									
Dolphin Applications	-	32,940	10	-	-	0.30	-	-	-
Due from Related Parties									
Hoh Yeong Chermg	-	810,051	257	427,353	115	7.30	4.91	-	-
Dolphin Applications	-	-	44	165,148	44	-	1.89	-	-
Total	-	810,051	257	592,501	159	7.30	6.80	-	-



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.4 Audited Financial Statements of PT Dolphin (Continued)****8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)****(q) Balances and Transactions with Related Parties (Continued)**

	← As at 31 December →				Percentage to Total							
	2011	2012	2013	2014	2011	2012	2013	2014				
	IDR'000	IDR'000	IDR'000	IDR'000	RM'000	RM'000	RM'000	RM'000	%	%	%	%
Trade Payables												
Dolphin Applications	-	66,030	21	2,201,758	592	-	-	-	0.38	41.04	-	-
Due to Related Parties												
Dolphin Applications	1,769,546	614	6,861,066	2,175	-	-	2,446,125	690	89.76	39.34	-	63.83
Dolphin Engineering	-	-	1,608,986	510	5,198	1	3,052	1	-	9.22	0.10	0.08
Total	1,769,546	614	8,470,052	2,685	5,198	1	2,449,177	691	89.76	48.56	0.10	63.91
Revenue												
Dolphin Applications	-	-	27,940	9	-	-	-	-	-	0.12	-	-
Purchase												
Dolphin Applications	-	-	66,030	21	2,212,776	667	-	-	-	21.21	100.00	-

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.4 Audited Financial Statements of PT Dolphin (Continued)****8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)****(q) Balances and Transactions with Related Parties (Continued)**

On January 2, 2013, PT Dolphin entered into a convertible loan facility agreement with Dolphin Applications. In this agreement, Dolphin Applications has the right to convert its outstanding amount of receivable into the equity of PT Dolphin at nominal value and register the new common shares issued by PT Dolphin under Dolphin Applications' name or any parties designated by Dolphin Applications. Unless subsequently agreed by Dolphin Applications and PT Dolphin, there shall be no interest to be charged for the loan.

On January 1, 2014, PT Dolphin entered into a Loan Agreement with Dolphin Applications. In this agreement, PT Dolphin obtained loan facility amounted to RM5,000,000 and shall be due and payable on demand. Unless subsequently agreed by Dolphin Applications and PT Dolphin, there shall be no interest to be charged for the loan.

The details of nature of relationships and material transactions with related parties are as follows:

Related Parties	Relationship	Transactions
Dolphin Applications	Holding Company	- Loans bearing no interest and payable on demand - Purchases of merchandise - Sales of merchandise
Dolphin Engineering	Affiliated Company	Expense payments on behalf of PT Dolphin
Hoh Yeong Cherng	PT Dolphin's Stockholder and Director	Loan bearing no interest and payable on demand

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
- 8.4 **Audited Financial Statements of PT Dolphin (Continued)**
- 8.4.5 **Notes to the Audited Financial Statements of PT Dolphin (Continued)**
- (r) **Monetary Assets and Liabilities Denominated in Foreign Currencies**

PT Dolphin's monetary assets and liabilities denominated in foreign currencies are as follows:

	As at 31 December							
	2011		2012		2013		2014	
	Foreign Currencies	Equivalent in IDR	Foreign Currencies	Equivalent in IDR	Foreign Currencies	Equivalent in IDR	Foreign Currencies	Equivalent in IDR
Assets								
Cash in hand and at banks	166	1,505,217	51	496,221	39	472,727	11	131,008
Trade receivables	-	-	16	150,796	12	149,833	29	367,170
Due from related parties	-	-	-	-	45	165,148	-	-
Total Assets	166	1,505,217	67	647,017	51	622,560	40	498,178
	-	-	-	-	45	165,148	-	-



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.4 Audited Financial Statements of PT Dolphin (Continued)****8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)****(r) Monetary Assets and Liabilities Denominated in Foreign Currencies (Continued)**

PT Dolphin's monetary assets and liabilities denominated in foreign currencies are as follows:

	As at 31 December							
	2011		2012		2013		2014	
	Foreign Currencies	Equivalent in IDR	Foreign Currencies	Equivalent in IDR	Foreign Currencies	Equivalent in IDR	Foreign Currencies	Equivalent in IDR
Liabilities								
Trade payables	-	-	-	-	(181)	(2,201,758)	-	-
	USD'000							
	RM'000	-	(66,030)	(21)	(66,030)	-	-	-
Due to related parties	-	-	(645)	(6,233,524)	-	-	(196)	(2,446,125)
	USD'000							
	RM'000	620	1,769,546	(708)	(2,236,528)	(1)	(3,159)	(1)
Accrued expenses	-	-	-	-	(71)	(863,604)	-	-
	USD'000							
	RM'000	-	-	-	(145)	(555,945)	-	-
Total liabilities								
	USD'000	-	-	(645)	(6,233,524)	(252)	(3,065,362)	(196)
	RM'000	620	1,769,546	(729)	(2,302,558)	(146)	(559,104)	(1)
Total net								
	USD'000	166	1,505,217	(578)	(5,586,507)	(201)	(2,442,802)	(156)
	RM'000	620	1,769,546	(729)	(2,302,558)	(101)	(393,956)	(1)



11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.4 Audited Financial Statements of PT Dolphin (Continued)****8.4.5 Notes to the Audited Financial Statements of PT Dolphin (Continued)****(s) Financial Instruments****Financial Risk Management**

The main financial risks that may be encountered by PT Dolphin are credit risk, foreign exchange rate risk, interest rate risk, liquidity risk and price risk. Attention to managing those risks has increased significantly considering changes and volatility in Indonesian and international markets.

(i) Credit Risk

Credit risk is the risk that a counterparty will default on its contractual obligation resulting on a loss to PT Dolphin.

PT Dolphin's credit risk is primarily attributed to its cash at banks and trade receivables. PT Dolphin places its current account in creditworthy banks. Trade receivables are entered with the respective and creditworthy third parties. PT Dolphin's exposure and its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The carrying amount of financial assets recorded in the financial statements, net of any provision for losses represents PT Dolphin's exposure to credit risk.

(ii) Foreign Exchange Rate Risk

Foreign exchange rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rate. PT Dolphin is affected by this risk mainly due to PT Dolphin's main purchases in Malaysian Ringgit, and loans from a related party in United States Dollar. PT Dolphin did not have any formal hedging policy or foreign exchange exposure. However, it may enter into foreign currency options to hedge against volatility in exchange rates.

(iii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Currently, PT Dolphin did not encounter any interest rate risk.

(iv) Liquidity Risk

The management has established an appropriate liquidity risk management framework for the management of PT Dolphin's short, medium and long-term funding and liquidity management requirements. PT Dolphin manages liquidity risk by maintaining adequate reserve, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report



8. **AUDITED FINANCIAL STATEMENTS (Continued)**
- 8.4 **Audited Financial Statements of PT Dolphin (Continued)**
- 8.4.5 **Notes to the Audited Financial Statements of PT Dolphin (Continued)**
- (s) **Financial Instruments (Continued)**

Financial Risk Management (Continued)

(v) **Price Risk**

Price risk is the risk of financial instrument value fluctuation due to changes in market prices. Currently, PT Dolphin did not encounter any price risk.

Classification of Financial Assets and Liabilities

PT Dolphin's financial assets, consisting of cash in hand and at banks, trade receivables to third parties, gross amount due from project owners, due from related parties and guarantee deposits were classified as loans and receivables.

PT Dolphin's financial liabilities consisting of trade payables, gross amount due to project owners, accrued expenses and due to related parties are classified as financial liabilities at amortised cost.

The Fair Value of Financial Assets and Liabilities

Fair value is the amount where assets can be exchanged or liabilities can be settled with arms length transactions.

The fair values of cash in hand and at banks, trade receivables, gross amount due from project owners, trade payables, gross amount due to project owners and accrued expenses were reasonable approximations to their carrying values due to their short-term nature.

The fair values of guarantee deposits, due from related parties and due to related parties were not presented since the fair value cannot be measured reliably because such financial instruments do not have a fixed repayment schedule and market price.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
 8.4 **Audited Financial Statements of PT Dolphin (Continued)**
 8.4.5 **Notes to the Audited Financial Statements of PT Dolphin (Continued)**
 (t) **Non-Cash Activities**

	As at 31 December							
	2011		2012		2013		2014	
	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000	IDR'000	RM'000
Increase in capital stock through decrease in due to related parties	-	-	-	-	13,209,193	3,983	-	-

(u) Financial Condition

PT Dolphin's accumulated losses as of 31 December 2014 reached IDR 18.50 billion or 92.59% of the share capital and additional paid in capital. PT Dolphin's management plans to continue its operations efficiently and continuously. PT Dolphin's financial statements are presented based on the Going Concern concept without taking into account the value of PT Dolphin, if liquidated.

The management is confident that PT Dolphin's growth and improvement of its key financial indicators would continue in 2015 and respective strategies are in place towards achieving of the same. This continued with PT Dolphin's negotiations with 11 of its major clients in Indonesia on the annual maintenance and servicing proposals for 2015. The trading and service revenue of PT Dolphin in 2014 was achieved on the strength of PT Dolphin's operations and the sales orders and jobs were secured independent of the parent company. This method of growth will continue to the foreseeable future with more emphasis on trading and maintenance since the core of business function had been approved by Indonesia Investment Coordinating Board (BKPM). Along with the continuous support from its parent, PT Dolphin is poised to deliver higher revenues, higher liquidity, and achieve profitability for upcoming year 2015.



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
- 8.4 **Audited Financial Statements of PT Dolphin (Continued)**
- 8.4.5 **Notes to the Audited Financial Statements of PT Dolphin (Continued)**
- (v) **Restatement of Comparatives Statement of Financial Position**

PT Dolphin had restated the statement of financial position at the beginning of comparative period as of 31 December 2011, and the corresponding figures as of 31 December 2012 and for the FYE 31 December 2013 due to the application of Government Regulation No. 51 of 2008, "Income Taxes on Income from Construction Services Business". PT Dolphin has also restated the statement of cash flows for the FYE 31 December 2012, which in the management's opinion reflects a more accurate presentation. The details are as follows:

	FYE December 31, 2012					
	Before Adjustment IDR'000	Before Adjustment RM'000	Adjustment IDR'000	Adjustment RM'000	After Adjustment IDR'000	After Adjustment RM'000
Statements of Financial Position						
Deferred tax assets	31,352	10	(31,352)	(10)	-	-
Tax payable	9,195	3	923,302	293	932,497	296
Statements of Profit or Loss and Other Comprehensive Income						
Current income tax - final	-	-	(923,302)	(302)	(923,302)	(302)
Deferred tax income	31,352	10	(31,352)	(10)	-	-



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
- 8.4 **Audited Financial Statements of PT Dolphin (Continued)**
- 8.4.5 **Notes to the Audited Financial Statements of PT Dolphin (Continued)**
- (v) **Restatement of Comparatives Statement of Financial Position (Continued)**

	FYE December 31, 2012					
	Before Adjustment IDR'000	Before Adjustment RM'000	Adjustment IDR'000	Adjustment RM'000	After Adjustment IDR'000	After Adjustment RM'000
Statement of Cash Flows						
Net unrealised loss on foreign exchange	-	-	407,623	133	407,623	133
Net realised gain on foreign exchange	-	-	(491,639)	(161)	(491,639)	(161)
Trade receivables	(5,208,465)	(1,706)	98,685	32	(5,109,780)	(1,673)
Advance and prepayments	(444,677)	(146)	2,533	1	(442,144)	(145)
Trade payables	2,754,281	902	115,815	38	2,870,096	940
Other payables	135,500	44	(477,222)	(156)	(341,722)	(112)
Tax payables	4,818	2	(96)	-	4,722	2
Due from related parties	6,700,506	2,194	(209,480)	(69)	6,491,026	2,126
Due from related parties	(810,051)	(265)	65,901	22	(744,150)	(244)
Effect of rate change on cash in hand and at banks	-	-	487,815	160	487,815	160



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
- 8.4 **Audited Financial Statements of PT Dolphin (Continued)**
- 8.4.5 **Notes to the Audited Financial Statements of PT Dolphin (Continued)**

(w) Commitments

PT Dolphin has contractual commitments with several project owners, among others as follows:

<u>No.</u>	<u>Project</u>	<u>Project Owner</u>	<u>Contract Value</u> <u>(Excluding VAT)</u>		<u>Period</u>	
			<u>IDR '000</u>	<u>RM'000</u>	<u>Start of Project</u>	<u>End of Project</u>
1.	Bulking Station	PT Dharmasatya Nusantara	20,000,000	6,340	October 29, 2012	April 29, 2013
2.	Integrated Control System Installation	PT Agro Indomas	278,727	88	September 1, 2012	April 30, 2013

(x) Event after the End of the Reporting Period

Up to the date the financial statements were completed by PT Dolphin's management, there has been no significant event.



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering****8.5.1 Audited Statements of Profit or Loss and Other Comprehensive Income of Dolphin Engineering**

The audited statements of profit or loss and other comprehensive income of Dolphin Engineering for the FYE 31 December 2011, FYE 31 December 2012, FYE 31 December 2013 and FYE 31 December 2014 are as follows:-

	Note	← FYE 31 December →			
		2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000
Revenue	8.5.5 (a)	21,620	13,148	34,421	48,748
Cost of sales	8.5.5 (b)	(16,755)	(9,424)	(26,122)	(36,756)
Gross profit		4,865	3,724	8,299	11,992
Other income		438	599	520	717
Administrative expenses		(2,170)	(2,144)	(1,339)	(2,168)
Sales and marketing expenses		(596)	(540)	(266)	(237)
Operating profits		2,537	1,639	7,214	10,304
Finance costs	8.5.5 (c)	(437)	(332)	(518)	(778)
Profit before tax	8.5.5 (d)	2,100	1,307	6,696	9,526
Income tax expense	8.5.5 (f)	(505)	(426)	(1,874)	(2,682)
Net profit for the financial year, representing total comprehensive income for the financial year		1,595	881	4,822	6,844
<i>Gross profit margin (%)</i>		22.50	28.32	24.11	24.60
<i>Profit before tax margin (%)</i>		9.71	9.94	19.45	19.54
<i>Effective tax rate (%)</i>		24.05	32.59	27.99	28.15
<i>Weighted average number of ordinary shares in issue ('000)</i>		1,000	1,364	2,000	2,000
<i>Gross EPS (RM)</i>		2.10	0.96	3.35	4.76
<i>Net EPS (RM)</i>		1.60	0.65	2.41	3.42

Notes: (i) *Gross EPS is computed based on profit before tax for the financial year over the weighted average number of ordinary shares in issue.*

(ii) *Net EPS is computed based on net profit for the financial year over the weighted average number of ordinary shares in issue.*

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.2 Audited Statements of Financial Positions of Dolphin Engineering**

The audited statements of financial positions of Dolphin Engineering as at 31 December 2011, 31 December 2012, 31 December 2013 and 31 December 2014 are as follows:-

	Note	← As at 31 December →			
		2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	8.5.5 (g)	4,559	4,927	4,768	5,252
Investment property	8.5.5 (h)	207	204	202	199
Total Non-Current Assets		4,766	5,131	4,970	5,451
Current Assets					
Inventories	8.5.5 (i)	31	39	27	15
Trade and other receivables	8.5.5 (j)	5,575	2,644	9,245	10,916
Amount due from customers for contract works	8.5.5 (k)	4,685	1,395	5,893	32,849
Fixed deposits placed with licensed banks	8.5.5 (l)	815	637	1,165	2,411
Cash and bank balances	8.5.5 (m)	250	94	1,642	225
Total Current Assets		11,356	4,809	17,972	46,416
Non-current assets classified as held for sale	8.5.5 (n)	120	-	-	-
TOTAL ASSETS		16,242	9,940	22,942	51,867
EQUITY AND LIABILITIES					
Equity attributable to the owners of Dolphin Engineering					
Share capital	8.5.5 (o)	1,000	2,000	2,000	2,000
Share premium	8.5.5 (p)	-	916	916	916
Share application monies		1,200	-	-	-
(Accumulated losses)/ Retained earnings	8.5.5 (q)	(968)	(87)	4,735	11,579
Total Equity		1,232	2,829	7,651	14,495

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.2 Audited Statements of Financial Positions of Dolphin Engineering (Continued)**

	←	As at 31 December				→
		2011	2012	2013	2014	
Note		RM'000	RM'000	RM'000	RM'000	
Non-Current Liabilities						
Hire purchase payables	8.5.5 (r)	178	501	493	900	
Bank borrowings	8.5.5 (s)	2,655	1,858	1,257	857	
Deferred tax liabilities	8.5.5 (t)	-	-	-	94	
Total Non-Current Liabilities		2,833	2,359	1,750	1,851	
Current Liabilities						
Trade and other payables	8.5.5 (u)	7,291	3,021	2,957	19,779	
Amount due to customers for contract works	8.5.5 (k)	636	186	-	-	
Hire purchase payables	8.5.5 (r)	485	313	254	333	
Bank borrowings	8.5.5 (s)	3,461	652	8,503	12,852	
Tax payable		304	580	1,827	2,557	
Total Current Liabilities		12,177	4,752	13,541	35,521	
Total Liabilities		15,010	7,111	15,291	37,372	
TOTAL EQUITY AND LIABILITIES						
		16,242	9,940	22,942	51,867	
<i>Number of ordinary shares</i>						
<i>in issue of RM1.00 each ('000)</i>		<i>1,000</i>	<i>2,000</i>	<i>2,000</i>	<i>2,000</i>	
<i>NTA (RM'000)</i>		<i>1,232</i>	<i>2,829</i>	<i>7,651</i>	<i>14,495</i>	
<i>NTA per ordinary share (RM)</i>		<i>1.23</i>	<i>1.41</i>	<i>3.83</i>	<i>7.25</i>	
<i>NA (RM'000)</i>		<i>1,232</i>	<i>2,829</i>	<i>7,651</i>	<i>14,495</i>	
<i>NA per ordinary share (RM)</i>		<i>1.23</i>	<i>1.41</i>	<i>3.83</i>	<i>7.25</i>	

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
- 8.5 **Audited Financial Statements of Dolphin Engineering (Continued)**
- 8.5.3 **Audited Statements of Changes in Equity of Dolphin Engineering**

The audited statements of changes in equity of Dolphin Engineering for the FYE 31 December 2011, FYE 31 December 2012, FYE 31 December 2013 and FYE 31 December 2014 are as follows:-

	Note	Non-Distributable			Share Application Monies RM'000	Distributable (Accumulated Losses)/ Retained Earnings RM'000	Total Equity RM'000
		Share Capital RM'000	Share Premium RM'000	Share			
At 1 January 2011		1,000	-	-	-	624	1,624
As previously reported		-	-	-	-	(3,187)	(3,187)
Prior year adjustments	8.5.5 (z)	-	-	-	-	(2,563)	(1,563)
At 1 January 2011, as restated		-	-	-	-	-	-
Share application monies received		-	-	1,200	-	-	1,200
Total comprehensive income for the financial year		-	-	-	-	1,595	1,595
At 31 December 2011		1,000	-	1,200	-	(968)	1,232



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.3 Audited Statements of Changes in Equity of Dolphin Engineering (Continued)**

	Share Capital RM'000	Share Premium RM'000	Share Application Monies RM'000	<u>Non-Distributable</u> Share	<u>Distributable</u> (Accumulated Losses)/ Retained Earnings RM'000	Total Equity RM'000
At 31 December 2011	1,000	-	1,200	(968)	1,232	
Transactions with owners :						
Share issued during the financial year	1,000	916	(1,200)	-	716	
Total transaction with owners	1,000	916	(1,200)	-	716	
Total comprehensive income for the financial year	-	-	-	881	881	
At 31 December 2012	2,000	916	-	(87)	2,829	
Total comprehensive income for the financial year	-	-	-	4,822	4,822	
At 31 December 2013	2,000	916	-	4,735	7,651	
Total comprehensive income for the financial year	-	-	-	6,844	6,844	
At 31 December 2014	2,000	916	-	11,579	14,495	



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.4 Audited Statements of Cash Flows of Dolphin Engineering**

The audited statements of cash flows of Dolphin Engineering for the FYE 31 December 2011, FYE 31 December 2012, FYE 31 December 2013 and FYE 31 December 2014 are as follows:-

	←	FYE 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	2,100	1,307	6,696	9,526
Adjustments for:				
Bad debt written off	534	*	5	-
Depreciation of property, plant and equipment	441	403	466	509
Amortisation of investment property	3	3	3	3
(Gain) / loss on disposal of property, plant and equipment	(13)	(163)	6	(293)
Interest income	(46)	(48)	(21)	(6)
Interest expenses	437	332	518	778
Property, plant and equipment written off	81	73	-	-
Inventories written off	747	-	-	-
Unrealised gain on foreign exchange	-	-	(7)	(2)
Operating profit before working capital changes	4,284	1,907	7,666	10,515
Changes in working capital				
Inventories	(31)	(8)	12	12
Receivables	(1,102)	3,456	(3,641)	(2,039)
Payables	194	(1,563)	2,316	16,822
Amount due from/to customers for contract works	(7,177)	2,840	(4,683)	(26,956)
Cash (used in)/generated from operations	(3,832)	6,632	1,670	(1,646)
Interests paid	(170)	(111)	(365)	(163)
Income tax paid	(100)	(250)	(628)	(1,901)
Income tax refunded	99	100	-	43
Interests received	46	48	21	6
Net Operating Cash Flows	(3,957)	6,419	698	(3,661)

* RM800

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.4 Audited Statements of Cash Flows of Dolphin Engineering (Continued)**

	←	FYE 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment *	-	(127)	(71)	(163)
Proceeds from disposal of property, plant and equipment	38	301	68	293
Net Investing Cash Flows	38	174	(3)	130
CASH FLOWS FROM FINANCING ACTIVITIES				
Interests paid	(267)	(221)	(152)	(615)
Net change in amount due from/to directors	(536)	(39)	4	21
Net change in amount due from/to companies in which the directors have interests	1,342	(3,206)	(5,563)	332
Net change in amount due from companies in which a director has an interest	(190)	12	222	17
Fixed deposit released/(pledged) as security values	168	178	(528)	(1,245)
Proceeds from issuance of shares	-	716	-	-
Share application monies received	1,200	-	-	-
Drawdown from bank borrowings	434	-	-	-
Repayment to term loan	(876)	-	(849)	(440)
Repayment to hire purchase payables	(445)	(583)	(379)	(344)
Net change in short-term borrowings	162	(2,097)	8,102	122
Net Financing Cash Flows	992	(5,240)	857	(2,152)

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.4 Audited Statements of Cash Flows of Dolphin Engineering (Continued)**

	←	FYE 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
NET CHANGE IN CASH AND CASH EQUIVALENTS	(2,927)	1,353	1,552	(5,683)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	1,664	(1,263)	90	1,642
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	(1,263)	90	1,642	(4,041)
ANALYSIS OF CASH AND CASH EQUIVALENTS				
Cash and bank balances (Note 8.5.5 (m))	250	94	1,642	225
Fixed deposits placed with licensed banks	815	637	1,165	2,411
Bank overdrafts (Note 8.5.5 (s))	(1,513)	(4)	-	(4,266)
	(448)	727	2,807	(1,630)
Less: Fixed deposits held as security values (Note 8.5.5 (l))	(815)	(637)	(1,165)	(2,411)
	(1,263)	90	1,642	(4,041)

* During the financial years under review, Dolphin Engineering acquired property, plant and equipment amounting to RM993,479 (2011: RM Nil, 2012: RM861,019 and 2013: RM382,473) of which RM934,828 (2011: RM Nil, 2012: RM855,380 and RM349,966) were acquired under hire purchase instalment plans. Cash payment of RM104,828 (2011: RM Nil, 2012: RM121,380 and 2013: RM38,026) were made towards the hire purchases.

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.5 Audited Financial Statements of Dolphin Engineering (Continued)

8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering

(a) Revenue

	← FYE 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Sale of goods	972	1,176	702	100
Revenue from contract works	20,648	11,972	33,719	48,648
	<u>21,620</u>	<u>13,148</u>	<u>34,421</u>	<u>48,748</u>

(b) Cost of sales

	← FYE 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Cost of goods sold	1,368	873	496	84
Project costs related to contract works	15,387	8,551	25,626	36,672
	<u>16,755</u>	<u>9,424</u>	<u>26,122</u>	<u>36,756</u>

(c) Finance Costs

	← FYE 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Interest expenses				
- bank guarantees	-	-	25	-
- bank overdrafts	69	94	105	170
- bankers' acceptances	82	15	119	122
- promissory notes	-	-	62	20
- trust receipts	19	2	45	198
- hire purchase payables	66	42	34	48
- term loans	201	179	128	77
- invoice financing	-	-	-	143
	<u>437</u>	<u>332</u>	<u>518</u>	<u>778</u>

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.5 Audited Financial Statements of Dolphin Engineering (Continued)

8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)

(d) Profit before tax

Profit before tax is arrived at:

	←	FYE 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
After charging:-				
Auditors' remuneration				
- current financial year	30	30	30	41
- under/(over) accrual in prior financial year	-	10	-	(11)
Depreciation of property, plant and equipment	441	403	466	510
Amortisation of investment property	3	3	3	3
Realised loss on foreign exchange	32	32	-	-
Property, plant and equipment written off	81	73	-	-
Bad debts written off	534	*	5	-
Inventories written off	747	-	-	-
Loss on disposal of property, plant and equipment	-	-	6	-
Office rental	65	34	30	34
Rental of equipment and machineries	11	-	2	2
Rental of motor vehicles	11	-	-	16
Staff costs (Note 8.5.5 (e))	1,231	1,217	1,102	1,274
And crediting:-				
Rental income	379	388	415	416
Gain on disposal of property, plant and equipment	13	163	-	293
Gain on foreign exchange:				
- Realised	-	-	76	1
- Unrealised	-	-	7	2
Fixed deposit interest income	46	48	21	6

* RM800

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(e) Staff Costs**

	← FYE 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Salaries, wages, allowances and bonuses	1,058	1,071	978	1,066
Employees' Provident Funds	129	135	114	195
Other staff related costs	44	11	10	13
	<u>1,231</u>	<u>1,217</u>	<u>1,102</u>	<u>1,274</u>

(f) Income Tax Expense

	← FYE 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current financial year	504	426	1,883	2,709
- under/(over) accrual in prior financial years	1	-	(9)	(121)
Deferred tax liabilities				
- current financial year (Note 8.5.5 (t))	-	-	-	94
	<u>505</u>	<u>426</u>	<u>1,874</u>	<u>2,682</u>

The income tax is calculated at the statutory rate of 25% of the estimated assessable profit for the financial year. The statutory tax rate applicable to small and medium scale enterprise ("SME") incorporated in Malaysia with paid up capital of RM2.5 million and below is subject to the statutory tax rate of 20% of chargeable income of up to RM500,000. For chargeable income in excess of RM500,000, statutory tax rate of 25% is still applicable.

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.6 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(f) Income Tax Expense (Continued)**

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of Dolphin Engineering is as follows:-

	←	FYE 31 December			→
	2011	2012	2013	2014	
	RM'000	RM'000	RM'000	RM'000	
Profit before tax	2,100	1,307	6,696	9,526	
Tax at applicable tax rates of 25%	525	327	1,674	2,382	
Tax effects arising from					
- non-deductible expenses	193	137	239	453	
- non-taxable income	-	(13)	(5)	(7)	
- utilisation of deferred tax assets not recognised in prior year	(187)	-	-	-	
- SME tax saving	(25)	(25)	(25)	(25)	
Overaccrual of income tax expense in prior financial year	(1)	-	(9)	(121)	
Tax expense for the financial year	505	426	1,874	2,682	


11. ACCOUNTANTS' REPORT (Cont'd)
DOLPHIN INTERNATIONAL BERHAD
 Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)
8.5 Audited Financial Statements of Dolphin Engineering (Continued)
8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)
(g) Property, Plant and Equipment

Cost	Freehold		Leasehold Property	Renovation		Motor Vehicles	Plant and Machineries	Computers	Total
	Land	Buildings		Equipment and Fittings	RM'000				
At 1 January 2011	1,649	2,474	237	1,289	913	251	-	-	6,813
As previously reported									
Prior year adjustments	16	24	-	-	40	-	-	-	80
(Note 8.5.5 (aa))									
Prior year reclassification	-	-	(237)	-	-	-	-	-	(237)
(Note 8.5.5 (aa))									
At 1 January 2011, as restated	1,665	2,498	-	1,289	953	251	-	-	6,656
Additions	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	(58)	-	-	-	(58)
Write-off	-	-	-	(164)	-	-	-	-	(164)
Reclassified as held for sale	(49)	(75)	-	-	-	-	-	-	(124)
At 31 December 2011	1,616	2,423	-	1,125	895	251	-	-	6,310
Additions	-	-	-	6	855	-	-	-	861
Disposal	-	-	-	-	(263)	-	-	-	(263)
Write-off	-	-	-	(136)	-	-	-	-	(136)
At 31 December 2012	1,616	2,423	-	995	1,487	251	-	-	6,772

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.5 Audited Financial Statements of Dolphin Engineering (Continued)

8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)

(g) Property, plant and equipment (Continued)

Cost (Continued)	Freehold Land RM'000	Freehold Buildings RM'000	Leasehold Property RM'000	Renovation Equipment and Fittings RM'000	Motor Vehicles RM'000	Plant and Machineries RM'000	Computers RM'000	Total RM'000
At 1 January 2013	1,616	2,423	-	995	1,487	251	-	6,772
Additions	-	-	-	21	350	-	11	382
Disposal	-	-	-	-	(86)	-	-	(86)
Write-off	-	-	-	-	-	-	-	-
At 31 December 2013	1,616	2,423	-	1,016	1,751	251	11	7,068
Additions	-	-	-	57	935	-	2	994
Disposal	-	-	-	-	(516)	-	-	(516)
Write-off	-	-	-	-	-	-	-	-
At 31 December 2014	1,616	2,423	-	1,073	2,170	251	13	7,546



11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.5 Audited Financial Statements of Dolphin Engineering (Continued)

8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)

(g) Property, plant and equipment (Continued)

	Freehold Land RM'000	Freehold Buildings RM'000	Leasehold Property RM'000	Renovation Equipment and Fittings RM'000	Motor Vehicles RM'000	Plant and Machineries RM'000	Computers RM'000	Total RM'000
Accumulated Depreciation								
At 1 January 2011	-	-	24	569	300	152	-	1,045
As previously reported	-	-	-	-	-	-	-	-
Prior year adjustments (Note 8.5.5 (aa))	-	159	-	40	199	11	-	409
Prior year reclassification (Note 8.5.5 (aa))	-	-	(24)	-	-	-	-	(24)
At 1 January 2011, as restated	-	159	-	609	499	163	-	1,430
Depreciation charges for the financial year	-	50	-	189	151	51	-	441
Disposal	-	-	-	-	(32)	-	-	(32)
Write-off	-	-	-	(84)	-	-	-	(84)
Reclassified as held for sale	-	(4)	-	-	-	-	-	(4)
At 31 December 2011	-	205	-	714	618	214	-	1,751



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**

Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)**8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(g) Property, plant and equipment (Continued)**

	Freehold Land RM'000	Freehold Buildings RM'000	Leasehold Property RM'000	Renovation Equipment and Fittings RM'000	Motor Vehicles RM'000	Plant and Machineries RM'000	Computers RM'000	Total RM'000
Accumulated Depreciation (Continued)								
At 1 January 2012	-	205	-	714	618	214	-	1,751
Depreciation for the financial year	-	48	-	100	221	34	-	403
Disposal	-	-	-	-	(246)	-	-	(246)
Write-off	-	-	-	(63)	-	-	-	(63)
At 31 December 2012	-	253	-	751	593	248	-	1,845
Depreciation for the financial year	-	48	-	104	310	2	2	466
Disposal	-	-	-	-	(11)	-	-	(11)
Write-off	-	-	-	-	-	-	-	-
At 31 December 2013	-	301	-	855	892	250	2	2,300
Depreciation for the financial year	-	49	-	84	374	1	2	510
Disposal	-	-	-	-	(516)	-	-	(516)
At 31 December 2014	-	350	-	939	750	251	4	2,294



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(g) Property, plant and equipment (Continued)**

	Freehold Land RM'000	Freehold Buildings RM'000	Leasehold Property RM'000	Renovation Equipment and Fittings RM'000	Motor Vehicles RM'000	Plant and Machineries RM'000	Computers RM'000	Total RM'000
Net Carrying Amount								
At 31 December 2011	1,616	2,218	-	411	277	37	-	4,559
At 31 December 2012	1,616	2,170	-	244	894	3	-	4,927
At 31 December 2013	1,616	2,122	-	161	860	1	8	4,768
At 31 December 2014	1,616	2,073	-	134	1,421	-	8	5,252

Dolphin Engineering's motor vehicles with total net carrying amounts of RM1,420,949 (2011: RM274,266, 2012: RM894,274 and 2013: RM860,306) were acquired under hire purchase instalment plans.

Dolphin Engineering's freehold land and buildings with total net carrying amounts of RM3,688,886 (2011: RM3,834,281, 2012: RM3,785,816 and 2013: RM3,737,351) have been pledged to the licensed banks to secure credit facilities for banking facilities granted to Dolphin Engineering as disclosed in Note 8.5.5 (s).



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(h) Investment Property**

	← As at 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Cost				
At the beginning/end of the financial year	237	237	237	237
Accumulated depreciation				
At the beginning of the financial year	27	30	32	35
Amortisation charges for the financial year	3	3	3	3
At the end of the financial year	30	33	35	38
Net carrying amount	207	204	202	199
Arising from investment property				
Rental income generated therefrom	10	10	10	10
Direct operating expenses:-				
Amortisation	3	3	3	3
Building maintenance	3	2	2	2
Insurance	^	^	#	#
Quit rent and assessment	1	<	1	1

^ RM55

RM56

< RM458

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(h) Investment Property (Continued)**

Dolphin Engineering's investment property has a lease period of 99 years expiring on 17 July 2091.

The fair value of investment property is categorised as follows:

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 change in circumstances that caused the transfer.

Dolphin Engineering's fair value hierarchy is defined as follows:

Level 1 fair value: Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical investment property that the entity can assess at the measurement date.

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 investment property, either directly or indirectly.

Level 3 fair value: Level 3 fair value is estimated using unobservable inputs for the investment property.

The fair value of investment property of approximately RM244,922 (2011: RM247,797, 2012: 220,773 and 2013: 220,000) is categorised at Level 3 of the fair value hierarchy. The fair value on the investment property is determined based on information available through internal research and the directors' best estimation.

There is no transfer between levels of fair values hierarchy during the financial years under review.

Sales Comparison Approach

The investment property consists of leasehold shop lot. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable approach.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(i) Inventories**

	← 2011	As at 31 December		→ 2014
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
At cost:				
Raw materials	31	39	27	15

(j) Trade and Other Receivables

	← 2011	As at 31 December		→ 2014
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Trade receivables	4,722	1,782	5,456	7,474
Other receivables				
Other receivables	743	793	3,754	3,370
Sundry deposits	28	38	35	55
Prepayments	82	31	-	17
	853	862	3,789	3,442
Total trade and other receivables	5,575	2,644	9,245	10,916
Less:				
Prepayment	(82)	(31)	-	(17)
Add:				
Fixed deposits placed with licensed banks (Note 8.5.5 (l))	815	637	1,165	2,411
Cash and bank balances (Note 8.5.5 (m))	250	94	1,642	224
Total loans and receivables	6,558	3,344	12,052	13,534

(a) Trade receivables

Dolphin Engineering's normal trade credit terms ranges from 30 days to 90 days (2011, 2012 and 2013: 30 days to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

Included in trade receivables of Dolphin Engineering are the following:-

- (i) an amount of RM3,743,090 (2011: RM2,889,523, 2012: RM Nil and 2013: RM2,862,027) due from a company in which the directors have interests;

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(j) Trade and Other Receivables (Continued)****(a) Trade receivables (Continued)**

- (ii) an amount of RM Nil (2011: RM20,560, 2012: RM1,871 and 2013: RM Nil) due from a company in which a director has an interest; and
- (iii) an amount of RM1,316,193 (2011: RM Nil, 2012: RM976,962 and 2013: RM252,836) representing retention sums for contract works.

The currency exposure profile of the trade receivables are as follows:-

	← As at 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
United States Dollars	952	273	101	7
IDR	-	-	1	#
RM	3,770	1,509	5,354	7,467
	4,722	1,782	5,456	7,474

RM397

The ageing analysis of trade receivables are as follows:-

	← As at 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Neither past due nor impaired	1,459	-	1,647	3,421
Past due but not impaired:				
1 to 30 days past due not impaired	95	260	2,927	5
31 to 60 days past due not impaired	-	200	-	11
61 to 90 days past due not impaired	-	-	421	4
More than 90 days past due not impaired	3,168	1,322	461	4,033
	3,263	1,782	3,809	4,053
	4,722	1,782	5,456	7,474

Receivables that are neither past due nor impaired

The directors of Dolphin Engineering are of the opinion that no impairment loss is necessary in respect of these not past due trade receivables.

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)
- 8.5 Audited Financial Statements of Dolphin Engineering (Continued)
- 8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)
- (j) Trade and Other Receivables (Continued)
- (a) Trade receivables (Continued)

Receivables that are past due but not impaired

The balances of trade receivables that are past due but not impaired, representing approximately 54.22% (2011: 53.28%, 2012: 71.25% 2013: 69.81%) of Dolphin Engineering's trade receivables are unsecured in nature.

Based on the management experience, no material receivables past due were written off as a result of irrecoverability. The management has a credit procedure in place to monitor and minimise the exposure of default. The directors of Dolphin Engineering are of the opinion that no impairment loss is necessary in respect of these past due trade receivables.

- (b) Other receivables

The currency exposure profile of the other receivables are as follows:-

	← As at 31 December →			
	2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000
IDR	-	509	1	1
RM	743	284	3,753	3,369
	<u>743</u>	<u>793</u>	<u>3,754</u>	<u>3,370</u>

Included in other receivables are the following:

- (i) an amount of RM3,365,320 (2011: RM Nil, 2012: RM514,233 and 2013: RM3,697,218) due from companies in which the directors have interests;
- (ii) an amount of RM Nil (2011: RM250,822, 2012: 238,870 and 2013: RM17,124) due from a company in which a director has an interests; and
- (iii) an amounts of RM Nil (2011: RM Nil, 2012: RM Nil and 2013: RM20,501) due from directors.

The amount due from companies in which a director has interests is non-trade in nature, unsecured, interest free and receivable upon demand.

The amount due from companies in which the directors have interests are non-trade in nature, unsecured, interest free and receivable upon demand.

The amounts due from directors are non-trade in nature, unsecured, interest free and receivable upon demand.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(k) Amount Due from/(to) Customers For Contract Works**

	← As at 31 December →			
	2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000
Aggregate costs incurred to date	21,699	30,249	52,627	62,764
Add: Attributable profit	6,949	10,370	17,693	19,984
	<u>28,648</u>	<u>40,619</u>	<u>70,320</u>	<u>82,748</u>
Less: Progress billings	(24,599)	(39,410)	(64,427)	(49,899)
	<u>4,049</u>	<u>1,209</u>	<u>5,893</u>	<u>32,849</u>
Analysed as:				
Amount due from customers for contract works	4,685	1,395	5,893	32,849
Amount due to customers for contract works	(636)	(186)	-	-
	<u>4,049</u>	<u>1,209</u>	<u>5,893</u>	<u>32,849</u>

(l) Fixed Deposits Placed With Licensed Banks

The fixed deposits placed with licensed banks have been pledged to licensed banks to secure credit facilities granted to Dolphin Engineering as disclosed in Note 8.5.5 (s).

Fixed deposits placed with a licensed banks have maturity date of ranging one (1) to twelve (12) months (2011 and 2012: twelve (12) months and 2013: one (1) month), which bear interest rates ranging from 3.05% to 3.30% (2011: 2.85% to 3.12%, 2012: 2.85% to 3.15% and 2013: 2.55% to 2.90%) per annum.

The fixed deposits placed with licensed banks are hypothecated to the banks for bank guarantee, bank overdrafts and term loan facilities granted to Dolphin Engineering as disclosed in Note 8.5.5 (s).

There is a fixed deposit amounting to RM Nil (2011: RM250,803, 2012 and 2013: RM Nil) placed in the name of a director, who holds it in trust for Dolphin Engineering.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(m) Cash and Bank Balances**

	← As at 31 December →			
	2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000
Cash at bank	232	81	1,639	223
Cash in hand	18	13	3	2
	250	94	1,642	225

The currency exposure profile of cash and bank balances are as follows:-

	← As at 31 December →			
	2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000
United States Dollar	166	36	5	22
Euro Dollar	1	1	*	#
IDR	2	2	-	-
Indian Rupee	2	2	-	-
Swiss Franc	^	^	-	-
RM	79	53	1,637	203
	250	94	1,642	225

^ RM96

* RM513

RM483

(n) Non-Current Assets Held for Sale

Non-current assets held for sale on Dolphin Engineering's statement of financial position as at 31 December 2011 are as follows:

Asset	Carrying amount immediately before classification RM'000	Allocation of remeasurement RM'000	Carrying amount as at 31 December 2011 RM'000
Freehold land and building	120	-	120

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.5 Audited Financial Statements of Dolphin Engineering (Continued)

8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)

(o) Share Capital

	As at 31 December							
	2011		2012		2013		2014	
	Number of Shares	RM'000	Number of Shares	RM'000	Number of Shares	RM'000	Number of Shares	RM'000
Ordinary shares of RM1/- each								
Authorised :								
At the beginning of the financial year	1,000	1,000	1,000	1,000	5,000	5,000	5,000	5,000
Created during the financial year	-	-	4,000	4,000	-	-	-	-
At the end of the financial year	1,000	1,000	5,000	5,000	5,000	5,000	5,000	5,000
Issued and fully paid:								
At the beginning of the financial year	1,000	1,000	1,000	1,000	2,000	2,000	2,000	2,000
Issued during the financial year	-	-	1,000	1,000	-	-	-	-
At the end of the financial year	1,000	1,000	2,000	2,000	2,000	2,000	2,000	2,000

During FYE 31 December 2012, Dolphin Engineering increased its authorised share capital from RM1,000,000 to RM5,000,000 by the creation of 4,000,000 ordinary shares of RM1.00 each.



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(o) Share Capital (Continued)**

Dolphin Engineering also increased its issued and paid-up ordinary share capital:

- (i) from RM1,000,000 to RM1,333,333 by way of the allotment of 333,333 ordinary shares of RM1.00 each at a premium of RM2.75 per share; and
- (ii) from RM1,333,333 to RM2,000,000 by way of allotment of 666,667 ordinary shares of RM1.00 each at par

for additional working capital purposes.

The new ordinary shares rank *pari passu* in all respects with the existing ordinary shares of Dolphin Engineering.

(p) Share premium

Share premium represents the premium paid on subscription of shares in Dolphin Engineering above the par value of the ordinary shares.

(q) Retained earnings

The entire retained earnings of Dolphin Engineering is available for distribution as single-tier dividends.

(r) Hire Purchase Payables

	←	As at 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Future minimum hire purchase payments				
- not later than one year	508	344	282	383
- later than one year but not later five year	183	535	527	963
	691	879	809	1,346
Less: Future finance charges	(28)	(65)	(62)	(113)
Present value of hire purchase payables	663	814	747	1,233

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.5 Audited Financial Statements of Dolphin Engineering (Continued)

8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)

(r) Hire Purchase Payables (Continued)

	← As at 31 December →			
	2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000
<i>Analysis of present value of hire purchase payables:</i>				
Not later than one year (included under current liabilities)	485	313	254	333
Later than one year but not later than five year (included under non-current liabilities)	178	501	493	900
	663	814	747	1,233

The hire purchase payables bear interest rates ranging from 2.29% to 2.52% (2011, 2012 and 2013: 2.28% to 3.15%) per annum.

(s) Bank Borrowings

	← As at 31 December →			
	2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000
Long term borrowings - secured				
Term loans	2,655	1,858	1,257	857
Short term borrowings - secured				
Term loans	614	648	401	362
Bankers' acceptances	1,334	-	852	4,245
Bank overdrafts	1,513	4	-	4,266
Promissory notes	-	-	1,412	100
Trust receipts	-	-	5,838	3,879
Total short term borrowings	3,461	652	8,503	12,852
Total borrowings	6,116	2,510	9,760	13,709
Comprising portion repayable:				
Within 12 months	3,461	652	8,503	12,851
More than 1 year but less than 2 years	655	578	745	390
More than 2 years but less than 5 years	1,392	983	512	467
More than 5 years	608	297	-	-
Total borrowings	6,116	2,510	9,760	13,708

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(s) Bank Borrowings (Continued)**

The bank borrowings are secured by the following:-

- (i) First legal charge over two (2) parcels of freehold land and 1 1/2 storey semi-detached factory;
- (ii) First Party Deed of Assignment over two (2) units of 3 storey shop office;
- (iii) Jointly and severally guarantee by directors of Dolphin Engineering;
- (iv) Guarantee by Credit Guarantee Corporation Malaysia Berhad;
- (v) First and third party fixed deposits accounts pledged with the licensed banks;
- (vi) A facility agreement between Dolphin Engineering and a financial institution; and
- (vii) Corporate guarantee by a company in which the directors have interests.

The respective term loans are repayable in the following manner:-

- (i) 120 equal monthly instalments commencing May 2007 and May 2008 respectively;
- (ii) 60 equal monthly instalments commencing September 2008 and May 2009 respectively; and
- (iii) 84 equal monthly instalments commencing April 2007.

Bankers' acceptances, promissory notes and trust receipts have maturity periods ranging from 150 days to 270 days (2011, 2012: Nil and 2013: 100 days to 150 days).

The borrowings bear interests at rates which are on a floating rate basis are as follows:

	← As at 31 December →			
	2011	2012	2013	2014
	% per annum	% per annum	% per annum	% per annum
Term loans	4.00 to 7.85	4.00 to 8.15	5.10 to 6.91	7.35 to 7.95
Bankers' acceptances	-	-	7.85 to 8.10	5.65 to 8.10
Bank overdrafts	7.60	7.60	7.60	9.10
Promissory notes	-	-	7.85	8.10
Trust receipts	-	-	7.85	8.10

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(t) Deferred tax liabilities**

	←	FYE 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
At 1 January	-	-	-	-
Recognised in profit or loss (Note 8.5.5 (f))	-	-	-	94
At 31 December	-	-	-	94

Deferred tax liabilities comprise the temporary differences between the carrying amounts and the corresponding tax written down values of property, plant and equipment.

(u) Trade and Other Payables

	←	As at 31 December			→
	2011	2012	2013	2014	
	RM'000	RM'000	RM'000	RM'000	
Trade payables	2,074	260	2,670	13,114	
Other payables					
Other payables	5,087	2,511	73	147	
Deposits	17	-	-	-	
Accruals	113	250	214	6,518	
	5,217	2,761	287	6,665	
Total trade and other payables	7,291	3,021	2,957	19,779	
Add:					
Hire purchase payables (Note 8.5.5 (r))	663	814	747	1,233	
Bank borrowings (Note 8.5.5 (s))	6,116	2,510	9,760	13,708	
Total other financial liabilities carried at amortised cost	14,070	6,345	13,464	34,720	

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(u) Trade and Other Payable (Continued)****(a) Trade payables**

The normal trade credit terms granted to Dolphin Engineering ranges from 30 days to 90 days (2011, 2012 and 2013: 30 days to 90 days)

Included in trade payables is an amount of RM247,733 (2011: RM90,561, 2012: RM Nil and 2013: RM213,297) due to a company in which the directors have interests.

(b) Other payables

Included in other payables are the followings:-

- (i) an amounts of RM Nil (2011: RM5,071,671, 2012: RM2,379,949 and 2013: RM Nil) due to a company in which the directors have interests.
- (ii) an amounts of RM Nil (2011: RM15,000, 2012 and 2013: RM Nil) due to director.

These amounts are non-trade in nature, unsecured, interest free and payable on demand.

(v) Financial Guarantees

	←	As at 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Corporate guarantee to licensed banks for credit facilities granted to a company in which the directors have interests	4,500	-	-	-
Bank guarantees issued for a company in which the directors have interests for performance of contracts	1,174	-	-	-
Bank guarantee granted to a licensed bank for contract customer	-	-	-	4,745
	5,674	-	-	4,745

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
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**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(v) Financial Guarantees (Continued)**

The bank guarantee is secured by the following:-

- (a) Corporate guarantee by a company in which the directors have interests; and
- (b) Jointly and severally guarantee by directors of Dolphin Engineering.

(w) Significant Related Party Transactions

A related party is an entity or person that directly or indirectly through one or more intermediary controls, is controlled by, or is under common or joint control with Dolphin Engineering or that has an interest in Dolphin Engineering that gives it significant influence over Dolphin Engineering's financial operating policies. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence for which significant voting power in Dolphin Engineering resides with, directly or indirectly.

The nature of the relationship with the related parties is as follows:

Name of Related Parties	Nature of Relationship
Dolphin Applications	A company in which the directors have interests
Dolphin Systems	A company in which the directors have interests*
Dolphin	A company in which the directors have interests
PT Dolphin	A company in which the directors have interests
Dolphin Components	A company in which the directors have interests

* *Prior to 4 April 2014, Dolphin Systems. was a company in which a director has interest.*

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(w) Significant Related Party Transactions (Continued)**

Other than disclosed elsewhere in the financial statements, the significant related party transactions between Dolphin Engineering and its related parties were as follows:-

	←	FYE 31 December			→
	2011	2012	2013	2014	
	RM'000	RM'000	RM'000	RM'000	
Dolphin Applications					
- sale of goods	1,476	9,427	6,075	881	
- purchase of goods	169	52	213	34	
- rental income	360	360	360	360	
Dolphin Systems					
- sale of goods	36	*	-	-	
- purchase of goods	29	19	371	-	
- rental income	10	10	10	10	
Dolphin Components					
- rental income	10	10	-	10	

* RM427

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(x) Financial Instruments****(i) Financial Risk Management and Objectives**

Dolphin Engineering is exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

The Directors of Dolphin Engineering review and agree policies and procedures for the management of these risks.

The following sections provide details regarding Dolphin Engineering's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. Dolphin Engineering's exposure to credit risk arises primarily from trade and other receivables.

Dolphin Engineering's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. Receivable balances are monitored on an ongoing basis with the result that Dolphin Engineering's exposure to bad debts is not significant.

Exposure to credit risk

At the end of the reporting period, Dolphin Engineering's maximum exposure to the credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 8.5.5(j).

Receivables that are neither past due nor impaired

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 8.5.5(j).

Receivables that are past due but not impaired

Information regarding trade receivables that are past due but not impaired is disclosed in Note 8.5.5(j).

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(x) Financial Instruments (Continued)****(i) Financial Risk Management and Objectives (Continued)****(a) Credit Risk (Continued)**Credit risk concentration profile

At the end of the reporting period, Dolphin Engineering has a significant concentration of credit risk in the form of two (2) (2011 and 2012: Nil and 2013: one (1)) major trade receivables, representing approximately 75.77% (2011 and 2012: Nil% and 2013: 52.46%) of Dolphin Engineering's total trade receivables.

(b) Liquidity Risk

Liquidity risk is the risk that Dolphin Engineering will encounter difficulty in meeting financial obligations due to shortage of funds, Dolphin Engineering's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

At the end of the reporting period, approximately 88.24% (2011: 79%, 2012: 32% and 2013: 83.34%) of Dolphin Engineering's loans and borrowings, as disclosed in Notes 8.5.5 (r) and 8.5.5 (s), will mature in less than one year based on the carrying amounts reflected in the statements of financial position.

Analysis of financial instruments by remaining contractual maturities

The table below summaries the maturity profile of Dolphin Engineering's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	On demand or within one year	One to five years	More than five years	Total
As at 31 December 2011	RM'000	RM'000	RM'000	RM'000
Trade and other payables	7,291	-	-	7,291
Bank borrowings	3,674	2,520	670	6,864
Hire purchase payables	508	183	-	691
	<u>11,473</u>	<u>2,703</u>	<u>670</u>	<u>14,846</u>

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(x) Financial Instruments (Continued)****(i) Financial Risk Management and Objectives (Continued)****(b) Liquidity Risk (Continued)****Analysis of financial instruments by remaining contractual maturities (Continued)**

	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
As at 31 December 2012				
Trade and other payables	3,021	-	-	3,021
Bank borrowings	804	1,861	320	2,985
Hire purchase payables	344	535	-	879
	<u>4,169</u>	<u>2,396</u>	<u>320</u>	<u>6,885</u>
As at 31 December 2013				
Trade and other payables	2,957	-	-	2,957
Bank borrowings	8,616	1,441	-	10,057
Hire purchase payables	282	527	-	809
	<u>11,855</u>	<u>1,968</u>	<u>-</u>	<u>13,823</u>
As at 31 December 2014				
Trade and other payables	19,779	-	-	19,779
Bank borrowings	12,933	947	-	13,880
Hire purchase payables	383	963	-	1,346
	<u>33,095</u>	<u>1,910</u>	<u>-</u>	<u>35,005</u>

(c) Interest Rate Risk

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

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report



8. **AUDITED FINANCIAL STATEMENTS (Continued)**
- 8.5 **Audited Financial Statements of Dolphin Engineering (Continued)**
- 8.5.5 **Notes to the Audited Financial Statements of Dolphin Engineering (Continued)**
- (x) **Financial Instruments (Continued)**
- (i) **Financial Risk Management and Objectives (Continued)**
- (c) **Interest Rate Risk (Continued)**

Dolphin Engineering's exposure to interest rate risk arises primarily from their loans and borrowings and fixed deposits placed with the financial institutions. Most of Dolphin Engineering's loans and borrowings are charged a fixed interest rate plus or minus the financial institutions' base lending rate or cost of fund per annum. The fixed interest rate is reviewed annually. Whilst, the base lending rate and cost of fund used by the financial institutions vary according to the rates set by Bank Negara Malaysia. Meanwhile, interest rates charged on hire purchases and finance lease are fixed at the inception of the hire purchase and finance lease arrangements. For interest income from cash deposits, Dolphin Engineering managed the interest rate risks by placing cash deposits with reputable financial institutions with varying maturities and interest rate terms.

Interest rate risk sensitivity

The table below demonstrates the sensitivity to a reasonably possible change in interest rates with all other variables held constant, of Dolphin Engineering's profit after tax:-

	Carrying Amount RM'000	Movement in basis point	Effect on profit after tax RM'000
FYE 31 December 2011			
Fixed deposits placed with licensed banks	815	50	3
Bank borrowings	(6,116)	50	(23)
Total effect on profit after tax			(20)
FYE 31 December 2012			
Fixed deposits placed with licensed banks	637	50	2
Bank borrowings	(2,510)	50	(9)
Total effect on profit after tax			(7)

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(x) Financial instruments (Continued)****(i) Financial Risk Management and Objectives (Continued)****(c) Interest Rate Risk (Continued)**

	Carrying Amount RM'000	Movement in basis point	Effect on profit after tax RM'000
FYE 31 December 2013			
Fixed deposits placed with licensed banks	1,165	50	4
Bank borrowings	(9,760)	50	(37)
Total effect on profit after tax			<u>(33)</u>
FYE 31 December 2014			
Fixed deposits placed with licensed banks	2,411	50	9
Bank borrowings	(13,708)	50	(51)
Total effect on profit after tax			<u>(42)</u>

(d) 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.

Dolphin Engineering has transactional currency exposures arising from sales or purchases that are denominated in a currency other than Dolphin Engineering's functional currency.

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)
- 8.5 Audited Financial Statements of Dolphin Engineering (Continued)
- 8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)
- (x) Financial instruments (Continued)
- (i) Financial Risk Management and Objectives (Continued)
- (d) Foreign Currency Risk (Continued)

Sensitivity analysis

The following table indicates the approximate change in Dolphin Engineering's profit after tax and accumulated losses in response to reasonable possible changes in the foreign exchange rates to which Dolphin Engineering has significant exposure at the end of the reporting period, assuming all other variable risk variable remained constant. Other components of the equity would not be affected by changes in the foreign exchange rate:

	← Increase / (Decrease) →			
	Strengthen (5%)			
	2011	2012	2013	2014
	RM	RM	RM	RM
	RM'000	RM'000	RM'000	RM'000
Dolphin Engineering's profit after tax				
United States Dollar	48	12	4	1
IDR	-	19	*	^
<hr/>				
	Weaken (5%)			
	2011	2012	2013	2014
	RM	RM	RM	RM
	RM'000	RM'000	RM'000	RM'000
Dolphin Engineering's profit after tax				
United States Dollar	(48)	(12)	(4)	(1)
IDR	-	(19)	(*)	(^)
<hr/>				
* RM49				
^ RM87				

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(x) Financial instruments (Continued)****(ii) Fair Value Measurement**

Dolphin Engineering's fair value hierarchy is defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical financial instrument

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

Lever 3: Inputs for the financial instrument that are not based on observable market data

The fair values of financial assets and financial liabilities of Dolphin Engineering approximate their carrying amount in the statement of financial position of Dolphin Engineering except as set out below.

	Carrying Amount RM'000	Fair Value RM'000
As at 31 December 2011		
Hire purchase payables	663	628
As at 31 December 2012		
Hire purchase payables	814	738
As at 31 December 2013		
Hire purchase payables	747	743
As at 31 December 2014		
Hire purchase payables	1,233	1,237

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(x) Financial instruments (Continued)****(ii) Fair Value Measurement (Continued)**

The fair value of the hire purchase payables are categorised as Level 2.

During the FYE 2011, FYE 2012, FYE 2013 and FYE 2014, there was no transfer between Level 1, Level 2 and Level 3 of the fair value measurement hierarchy.

Dolphin Engineering does not have any financial assets or financial liabilities measured at Level 1 and Level 3 hierarchy.

There were no unrecognised financial instrument as at 31 December 2011, 31 December 2012, 31 December 2013 and 31 December 2014 that are required to be disclosed.

(y) Capital Management

The primary objective of Dolphin Engineering's capital management is to build and maintain a strong capital base so as to maintain healthy capital ratios and at the same time be able to leverage on the capital to provide the funds to fund their expansion and growth.

Dolphin Engineering manage its capital structure, and makes adjustment to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, Dolphin Engineering may adjust dividend payment to shareholders, return capital to shareholders or issue new shares, raise new debts and reduce existing debts.

Dolphin Engineering monitors the level of dividends to be paid to shareholders. Dolphin Engineering's objective is to pay out regular dividends to the shareholders based on the level of Dolphin Engineering's profitability and cash flows.

The capital structure of Dolphin Engineering consists of equity attributable to owners of Dolphin Engineering, comprising share capital, retained earnings and total liabilities.

The debt-to-equity ratio is as follow:-

	← As at 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Total liabilities	15,010	7,111	15,291	37,372
Equity attributable to the owners of Dolphin Engineering	1,232	2,829	7,651	14,495
Debt-to-equity ratio	1,218.3%	251.3%	199.9%	257.8%

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(y) Capital Management (Continued)**

There were no changes in the Dolphin Engineering's approach to capital management during the financial year under review.

Dolphin Engineering is not subject to externally imposed capital requirements.

(z) Event subsequent to the end of the reporting period

On 31 March 2015, Dolphin Engineering becomes a wholly-owned subsidiary of Dolphin following the completion of conditional sale and purchase agreement, entered by Dolphin and the shareholders of Dolphin Engineering to acquire the entire issued and paid-up share capital of Dolphin Engineering of RM2,000,000 comprising 2,000,000 ordinary shares of RM1.00 each for a purchase consideration of RM5,100,000.

(aa) Prior Year Adjustments And Comparative Figures

The prior year adjustments were in relation to the following fundamental errors made in prior financial years and the adoptions of new accounting policies:-

- (a) Capitalisation of property, plant and equipment which were incorrectly posted to amount due to directors, other receivables and other payables in the prior financial years;
- (b) Adjustments for understatement of depreciation of property, plant and equipment and the amortisation of leasehold property and its corresponding adjustments to the statement of profit or loss and other comprehensive income for the financial year ended 31 December 2010;
- (c) Effects arising from the adoption of FRS 111 *Construction Contracts* and the recognition of contract revenue and its related costs based on stage of completion method and its corresponding adjustments to the statement of profit or loss and other comprehensive income for the financial year ended 31 December 2010;
- (d) Adjustments for under/(over)statement of purchases, hire purchase interests, term loans interests, insurance charges and bonuses and its corresponding adjustments to the statement of profit or loss and other comprehensive income for the financial year ended 31 December 2010;

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report



8. AUDITED FINANCIAL STATEMENTS (Continued)

8.5 Audited Financial Statements of Dolphin Engineering (Continued)

8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)

(aa) Prior Year Adjustments And Comparative Figures (Continued)

- (e) Effects arising from the adoption of FRS 140 *Investment Property* and its corresponding adjustments to the statement of profit or loss and other comprehensive income for the financial year ended 31 December 2010;
- (f) Reversal of corporate expenses incurred in prior financial years which were incorrectly classified as prepayments and its corresponding adjustments to the statement of profit or loss and other comprehensive income for the financial year ended 31 December 2010;

Adjustments for understatement of inventories and its corresponding adjustments to the statement of profit or loss and other comprehensive income for the financial year ended 31 December 2010;

- (h) Adjustments for tax payments incorrectly charged to profit or loss and its corresponding adjustments to the statement of profit or loss and other comprehensive income for the financial year ended 31 December 2010; and
- (i) Adjustments for cancellation of sale invoice omitted in the previous financial year and its corresponding adjustments to the statement of profit or loss and other comprehensive income for the financial year ended 31 December 2010.

As a result of the above prior year adjustments, corresponding adjustments have been made to the statement of changes in equity and statement of cash flows.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(aa) Prior Year Adjustments And Comparative Figures (Continued)**

	As Previously Reported		Prior Financial Year Adjustments					As Restated					
	RM'000	RM'000	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	RM'000	RM'000
31 December 2010													
Statement of financial position													
Property, plant and equipment	5,765	80	(408)	-	-	-	(211)	-	-	-	-	-	5,226
Investment property	-	-	(1)	-	-	-	211	-	-	-	-	-	210
Inventories	436	-	-	-	-	-	-	-	311	-	-	-	747
Trade and other receivables	14,465	(6)	-	(3,632)	(1,941)	-	(229)	-	-	-	(1,838)	-	6,819
Amount due from customers for contract works	-	-	-	354	-	-	-	-	-	-	-	-	354
Tax recoverable	192	-	-	-	-	-	-	-	-	8	-	-	200
Long term bank borrowings	2,881	-	-	-	-	310	-	-	-	-	-	-	3,191
Long term hire purchase payables	619	-	-	-	-	30	-	-	-	-	-	-	649
Trade and other payables	17,130	74	-	(3,182)	(4,829)	-	-	-	-	-	-	-	9,193
Amount due to customers for contract works	-	-	-	3,482	-	-	-	-	-	-	-	-	3,482
Retained earnings/(Accumulated losses)	624	-	(410)	(3,577)	2,548	-	(229)	311	8	-	(1,838)	-	(2,563)



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(aa) Prior Year Adjustments And Comparative Figures (Continued)**

	As Previously Reported		Prior Financial Year Adjustments					As Restated	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Financial year ended 31 December 2010									
Statement of profit or loss and other comprehensive income									
Revenue	11,659	-	(1,786)	-	-	-	-	-	8,035
Cost of sales	(8,523)	-	-	2,931	-	-	311	-	(5,281)
Other income	(33)	-	-	-	-	-	-	-	(33)
Administrative expenses	(2,294)	(203)	-	-	-	-	-	8	(2,489)
Finance costs	(300)	-	-	(155)	-	-	-	-	(455)



11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.5 Audited Financial Statements of Dolphin Engineering (Continued)****8.5.5 Notes to the Audited Financial Statements of Dolphin Engineering (Continued)****(aa) Prior Year Adjustments And Comparative Figures (Continued)**

The following comparative amounts as at 31 December 2010 has been reclassified to conform with the current period's presentation:

	As Previously Reported RM		Reclassification RM	As Restated RM
31 December 2010				
<u>Statement of financial position</u>				
Trade and other receivables	6,819	*	507	7,326
Trade and other payables	9,193	*	(393)	8,800
Short term bank borrowings	1,584		900	2,484
<hr/>				
<u>Statement of profit and loss and other comprehensive income</u>				
Revenue	8,035	*	(155)	7,880
Cost of sales	(5,281)	*	(900)	(6,181)
Other income	(33)	*	48	15
Administrative expenses	(2,489)	*	1,054	(1,435)
Finance costs	(455)	*	(47)	(502)
<hr/>				

* Restated after prior year adjustments

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statement of Dolphin Systems****8.6.1 Audited Statements of Profit or Loss and Other Comprehensive Income of Dolphin Systems**

The audited statements of profit or loss and other comprehensive income of Dolphin Systems for the FYE 31 December 2011, FYE 31 December 2012, FYE 31 December 2013 and FYE 31 December 2014 are as follows:-

		←	FYE 31 December			→
		2011	2012	2013	2014	
	Note	RM'000	RM'000	RM'000	RM'000	
Revenue	8.6.5 (a)	428	596	484	507	
Cost of sales		(210)	(248)	(240)	(253)	
Gross profit		<u>218</u>	<u>348</u>	<u>244</u>	<u>254</u>	
Other income		-	#	-	-	
Administrative expenses		(430)	(320)	(187)	(205)	
Sales and marketing expenses		(35)	(22)	(9)	(4)	
(Loss)/profit before tax	8.6.5 (b)	<u>(247)</u>	<u>6</u>	<u>48</u>	<u>45</u>	
Income tax expense	8.6.5 (d)	-	-	-	-	
Net (loss)/profit for the financial year, representing total comprehensive (loss)/ income for the financial year		<u>(247)</u>	<u>6</u>	<u>48</u>	<u>45</u>	
<i>Gross profit margin (%)</i>		50.93	58.39	50.41	50.10	
<i>(Loss)/Profit before tax margin (%)</i>		(57.71)	1.01	9.92	8.88	
<i>Effective tax rate (%)</i>		N/A	N/A	N/A	N/A	
<i>Weighted average number of ordinary shares in issue ('000)</i>		100	327	500	500	
<i>Gross (LPS)/EPS (RM)</i>		(2.47)	0.02	0.10	0.09	
<i>Net (LPS)/EPS (RM)</i>		(2.47)	0.02	0.10	0.09	

RM256

Notes: (i) Gross (LPS)/EPS is computed based on (loss)/profit before tax for the financial year over the weighted average number of ordinary shares in issue.

(ii) Net (LPS)/EPS is computed based on net (loss)/profit for the financial year over the weighted average number of ordinary shares in issue.

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.6 Audited Financial Statements of Dolphin Systems (Continued)

8.6.2 Audited Statements of Financial Positions of Dolphin Systems

The audited statements of financial positions of Dolphin Systems as at 31 December 2011, 31 December 2012, 31 December 2013 and 31 December 2014 are as follows:-

		←	As at 31 December		→
	Note	2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000
ASSETS					
Non-Current Asset					
Property, plant and equipment	8.6.5 (e)	28	18	13	12
Total Non-Current Asset		<u>28</u>	<u>18</u>	<u>13</u>	<u>12</u>
Current Assets					
Inventories	8.6.5 (f)	15	5	3	3
Trade and other receivables	8.6.5 (g)	126	287	88	559
Cash and bank balances	8.6.5 (h)	37	41	53	56
Total Current Assets		<u>178</u>	<u>333</u>	<u>144</u>	<u>618</u>
TOTAL ASSETS		<u>206</u>	<u>351</u>	<u>157</u>	<u>630</u>
EQUITY AND LIABILITIES					
Equity attributable to owners of Dolphin Systems					
Share capital	8.6.5 (i)	100	500	500	500
Accumulated losses		(489)	(483)	(435)	(390)
Total Equity		<u>(389)</u>	<u>17</u>	<u>65</u>	<u>110</u>
Current Liabilities					
Trade and other payables	8.6.5 (j)	595	334	92	520
Total Liabilities		<u>595</u>	<u>334</u>	<u>92</u>	<u>520</u>
TOTAL EQUITY AND LIABILITIES		<u>206</u>	<u>351</u>	<u>157</u>	<u>630</u>
<i>Number of ordinary shares</i>					
<i>in issue of RM1.00 each ('000)</i>		100	500	500	500
<i>(NTL)/NTA(RM'000)</i>		(389)	17	65	110
<i>(NTL)/NTA per ordinary share (RM)</i>		(3.89)	0.03	0.13	0.22
<i>(NL)/NA (RM'000)</i>		(389)	17	65	110
<i>(NL)/NA per ordinary share (RM)</i>		(3.89)	0.03	0.13	0.22

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.3 Audited Statements of Changes in Equity of Dolphin Systems**

The audited statements of changes in equity of Dolphin Systems for the FYE 31 December 2011, FYE 31 December 2012, 31 December 2013 and FYE 31 December 2014 are as follows:-

	Note	Share Capital RM'000	Accumulated Losses RM'000	Total Equity RM'000
At 1 January 2011		100	(242)	(142)
Total comprehensive loss for the financial year		-	(247)	(247)
At 31 December 2011		100	(489)	(389)
Total comprehensive income for the financial year		-	6	6
Transactions with owners :				
Shares issued during the financial year	8.6.5 (i)	400	-	400
Total transaction with owners		400	-	400
At 31 December 2012		500	(483)	17
Total comprehensive income for the financial year		-	48	48
At 31 December 2013		500	(435)	65
Total comprehensive income for the financial year		-	45	45
At 31 December 2014		500	(390)	110

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.4 Audited Statements of Cash Flows of Dolphin Systems**

The audited statements of cash flows of Dolphin Systems for the FYE 31 December 2011, FYE 31 December 2012, FYE 31 December 2013 and FYE 31 December 2014 are as follows:-

	← FYE 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/profit before tax	(247)	6	48	45
Adjustments for:				
Property, plant and equipment written off	-	3	-	-
Depreciation of property, plant and equipment	3	10	5	3
Operating (loss)/profit before working capital changes	(244)	19	53	48
Changes in working capital				
Inventories	33	10	2	^
Receivables	45	(161)	198	(480)
Payables	(25)	10	(63)	90
Net Operating Cash Flows	(191)	(122)	190	(342)
CASH FLOWS FROM INVESTING ACTIVITY				
Purchase of property, plant and equipment	(4)	(3)	-	(2)
Net Investing Cash Flows	(4)	(3)	-	(2)

^ RM 127

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.4 Audited Statements of Cash Flows of Dolphin Systems (Continued)**

	←	FYE 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of shares	-	400	-	-
Net change in amount due to companies in which the directors have interests	219	(271)	(178)	338
Net change in amount due from a director	(9)	-	-	9
Net Financing Cash Flows	<u>210</u>	<u>129</u>	<u>(178)</u>	<u>347</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	15	4	12	3
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	<u>22</u>	<u>37</u>	<u>41</u>	<u>53</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>37</u>	<u>41</u>	<u>53</u>	<u>56</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS				
Cash at bank	35	39	53	55
Cash in hand	2	2	*	1
	<u>37</u>	<u>41</u>	<u>53</u>	<u>56</u>

* RM356

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.5 Notes to the Audited Financial Statements of Dolphin Systems****(a) Revenue**

Revenue represents income from sale of goods, and services rendered to customers, net of discounts.

(b) (Loss)/profit Before Tax

(Loss)/profit before tax is arrived at:

	←	FYE 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
After charging:-				
Auditors' remuneration				
- current financial year	6	7	7	10
- under accrual in prior financial year	-	-	-	1
Depreciation of property, plant and equipment	3	10	5	3
Property, plant and equipment written off	-	3	-	-
Realised loss on foreign exchange	-	-	-	+
Rental of premises	24	37	29	29
Rental of motor vehicle	-	*	-	-
Staff costs (Note 8.6.5 (c))	356	283	268	272
After crediting:-				
Realised gain on foreign exchange	-	#	-	-

* RM200

RM256

+ RM229

(c) Staff Costs

	←	FYE 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Salaries, allowances and bonuses	305	250	233	243
Employees' Provident Fund	35	30	29	27
Other staff related benefits	16	3	6	2
	356	283	268	272

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.5 Notes to the Audited Financial Statements of Dolphin Systems (Continued)****(d) Income Tax Expense**

There was no accrual for income tax for Dolphin Systems as Dolphin Systems has available unutilised tax losses brought forward to set off against the chargeable income during the FYE 2014.

There was no accrual for income tax for Dolphin Systems for the prior financial years as Dolphin Systems was granted pioneer status by the MITI under the provisions of the Promotion of Investment Act, 1986 for a period of 5 years expiring on 30 June 2013.

The reconciliation of income tax expense applicable to (loss)/profit before tax at the statutory tax rate to income tax expense at the effective income tax rate of Dolphin Systems is as follows:-

	←	FYE 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
(Loss)/profit before tax	(247)	6	48	45
Taxation at applicable tax rates of 25%	(62)	2	12	11
Tax effects arising from:				
- change in tax rates	-	-	-	(4)
- non-deductible expenses	1	2	1	5
- tax exempt income under pioneer status	-	(5)	-	-
- deferred tax assets not recognised in the financial statements	61	1	(13)	(12)
Tax expense for the financial year	-	-	-	-

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.5 Notes to the Audited Financial Statements of Dolphin Systems (Continued)****(d) Income Tax Expense (Continued)**

Deferred tax assets have not been recognised in respect of the following items:

	←	FYE 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Unutilised tax losses	471	471	431	382
Unabsorbed capital allowances	9	15	-	-
	<u>480</u>	<u>486</u>	<u>431</u>	<u>382</u>
Potential deferred tax benefit at 24% (2011, 2012 and 2013: 25%)	<u>120</u>	<u>121</u>	<u>108</u>	<u>92</u>

The tax losses that can be used as a basis in the computation of deferred tax assets is the tax losses which can be compensated against taxable income before the tax losses expires. The unutilised tax losses was not presented as deferred tax assets because, based on management's opinion, the benefit of the Dolphin Systems' tax losses for deduction of such future taxable income could not be determined.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.5 Notes to the Audited Financial Statements of Dolphin Systems (Continued)****(e) Property, Plant and Equipment**

	Office Equipment RM'000	Furniture and Fittings RM'000	Installation and Renovation RM'000	Computers RM'000	Total RM'000
Cost					
At 1 January 2011	25	1	9	-	35
Additions	4	-	-	-	4
At 31 December 2011	29	1	9	-	39
Additions	-	-	-	3	3
Write-off	-	-	-	(4)	(4)
Reclassification	(21)	-	-	21	-
At 31 December 2012/At 31 December 2013	8	1	9	20	38
Additions	-	-	-	2	2
At 31 December 2014	8	1	9	22	40



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
 8.6 **Audited Financial Statements of Dolphin Systems (Continued)**
 8.6.5 **Notes to the Audited Financial Statements of Dolphin Systems (Continued)**
 (e) **Property, Plant and Equipment**

	Office Equipment RM'000	Furniture and Fittings RM'000	Installation and Renovation RM'000	Computers RM'000	Total RM'000
Accumulated Depreciation					
At 1 January 2011	6	<	2	-	8
Depreciation charge for the financial year	2	*	1	-	3
At 31 December 2011	8	@	3	-	11
Depreciation charge for the financial year	&	*	1	9	10
Write-off	-	-	-	(1)	(1)
Reclassification	(5)	-	-	5	-
At 31 December 2012	3	!	4	13	20
Depreciation charge for the financial year	1	^	1	3	5
At 31 December 2013	4	+	5	16	25
Depreciation charge for the financial year	1	^	1	1	3
At 31 December 2014	5	¢	6	17	28
^ RM146 + RM629 < RM285 * RM99 @ RM384 & RM764 ! RM483 ¢ RM775					



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
- 8.6 **Audited Financial Statements of Dolphin Systems (Continued)**
- 8.6.5 **Notes to the Audited Financial Statements of Dolphin Systems (Continued)**
- (e) **Property, Plant and Equipment**

Net Carrying Amount	Office Equipment RM'000	Furniture and Fittings RM'000	Installation and Renovation RM'000	Computers RM'000	Total RM'000
At 31 December 2011	21	1	6	-	28
At 31 December 2012	5	1	5	7	18
At 31 December 2013	4	1	4	4	13
At 31 December 2014	3	1	3	5	12



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.5 Notes to the Audited Financial Statements of Dolphin Systems (Continued)****(f) Inventories**

	←	FYE 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
At cost:				
Raw materials	15	5	3	3

During the financial year, the amount of inventories recognised as an expenses of Dolphin Systems amounted to RM127 (2011 and 2012: RM Nil and 2013: RM1,621).

(g) Trade and Other Receivables

	←	As at 31 December			→
	2011	2012	2013	2014	
	RM'000	RM'000	RM'000	RM'000	RM'000
Trade receivables	77	268	70	549	
Other receivables					
Other receivables	15	12	11	3	
Sundry deposits	32	7	7	7	
Prepayments	2	-	-	-	
	49	19	18	10	
Total trade and other receivables	126	287	88	559	
Less:					
Prepayments	(2)	-	-	-	
Add:					
Cash and bank balances	37	41	53	56	
Total loans and receivables	161	328	141	615	

(a) Trade receivables

Dolphin Systems' normal trade credit term is 30 days (2011 and 2012: 30 to 90 days; 2013: 30 days). Other credit terms are assessed and approved on a case-by-case basis.

Included in trade receivables is an amount of RM506,034 (2011: RM54,903, 2012: RM211,052 and 2013: RM Nil) due from a company which the directors have interests.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.5 Notes to the Audited Financial Statements of Dolphin Systems (Continued)****(g) Trade and Other Receivables (Continued)****(a) Trade receivables (Continued)**

The ageing analysis of the trade receivables are as follows:-

	←———— As at 31 December —————→			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Neither past due nor impaired	60	190	40	200
Past due but not impaired:				
1 to 30 days past due not impaired	-	-	4	-
31 to 60 days past due not impaired	-	-	-	@
61 to 90 days past due not impaired	-	-	17	100
More than 90 days past due not impaired	17	78	9	249
	17	78	30	349
	77	268	70	549

@ RM137

Receivables that are neither past due nor impaired

The directors of Dolphin Systems are of the opinion that no impairment loss is necessary in respect of these not past due trade receivables.

Receivables that are past due but not impaired

The balances of trade receivables that are past due but not impaired, representing approximately 63.56% (2011: 22.1%, 2012: 29.1% and 2013: 42.85%) of Dolphin Systems' trade receivables are unsecured in nature. In FYE 31 December 2014 55.75% (2011 and 2012: Nil%) are due from a company in which the directors have interests. In FYE 31 December 2013, Nil% (2011: 94.6% and 2012: 68.0%) were due from a company in which a director has interests.

Based on the management experience, no receivables past due were written off as a result of irrecoverability. The management has a credit procedure in place to monitor and minimise the exposure of default. The directors of Dolphin Systems are of the opinion that no impairment loss is necessary in respect of these past due trade receivables.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.5 Notes to the Audited Financial Statements of Dolphin Systems (Continued)****(g) Trade and Other Receivables (Continued)****(b) Other receivables**

Included in other receivables of Dolphin Systems is an amount of RM Nil (2011, 2012 and 2013: RM9,384) due from a director which was non-trade in nature, unsecured, interest-free and receivable upon demand.

(h) Cash and bank balances

	← As at 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Cash at bank	35	39	53	55
Cash in hand	2	2	*	1
	<u>37</u>	<u>41</u>	<u>53</u>	<u>56</u>

* RM356

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.5 Notes to the Audited Financial Statements of Dolphin Systems (Continued)****(i) Share Capital**

	As at 31 December							
	2011		2012		2013		2014	
	Number of Shares	RM'000	Number of Shares	RM'000	Number of Shares	RM'000	Number of Shares	RM'000
Ordinary shares of RM1/- each								
Authorised :								
At the beginning of the financial year	100	100	100	100	500	500	500	500
Created during the financial year	-	-	400	400	-	-	-	-
At the end of the financial year	100	100	500	500	500	500	500	500
Issued and fully paid:								
At the beginning of the financial year	100	100	100	100	500	500	500	500
Issued during the financial year	-	-	400	400	-	-	-	-
At the end of the financial year	100	100	500	500	500	500	500	500

During the FYE 31 December 2012, Dolphin Systems has increased its:-

- (a) authorised share capital from RM100,000 to RM500,000 by way of creation of 400,000 new ordinary shares of RM1.00 each; and
 (b) issued paid-up share capital from RM100,000 to RM500,000 by way of an allotment of 400,000 ordinary shares of RM1.00 each for cash at par.

These new ordinary shares issued during the FYE 31 December 2012 ranked *pari passu* in all respects with the existing ordinary shares of Dolphin Systems.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.5 Notes to the Audited Financial Statements of Dolphin Systems (Continued)****(j) Trade And Other Payables**

	← As at 31 December →			
	2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000
Trade payables	91	66	3	43
Other payables				
Other payables	483	216	40	422
Accruals	21	52	49	55
	504	268	89	477
Total other financial liabilities at amortised cost	595	334	92	520

(a) Trade payables

The normal trade credit terms granted to Dolphin Systems ranges from 30 to 90 days (2011, 2012 and 2013: 30 to 90 days).

Included in trade payables is an amount of RM43,118 (2011, 2012 and 2013: RM Nil) due to a company in which the directors have interests.

Included in trade payables is an amount of RM Nil (2011: RM55,296, 2012: RM28,784 and 2013: RM Nil) due to a company in which a director has interests.

(b) Other payables

Included in other payables of Dolphin Systems is an amount of RM371,817 (2011, 2012 and 2013: RM Nil) due to companies in which the directors have interests.

Included in other payables of Dolphin Systems is an amount of RM Nil (2011: RM482,290, 2012: RM211,956 and 2013: RM 33,559) due to companies in which a director has interests.

The amount due to companies in which a director or the directors have interests are non-trade in nature, unsecured, interest free and payable upon demand.

(k) Significant Related Party Disclosures

A related party is an entity or person that directly or indirectly through one or more intermediary controls, is controlled by, or is under common or joint control with Dolphin Systems or that has an interest in Dolphin Systems that give it significant influence over Dolphin Systems' financial operating policies. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence for which significant voting power in Dolphin Systems resides with, directly or indirectly.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.5 Notes to the Audited Financial Statements of Dolphin Systems (Continued)****(k) Significant Related Party Disclosures (Continued)**

The nature of relationship with the related parties is as follows:

<u>Name of Related Parties</u>	<u>Nature of Relationship</u>
Dolphin Applications	A company in which the directors have interests.*
Dolphin Engineering	A company in which the directors have interests.*

* Prior to 4 April 2014, Dolphin Applications and Dolphin Engineering, were companies in which a director has interest.

Other than disclosed elsewhere in the financial statements, the significant related party transactions between Dolphin Systems and its related parties were as follows:-

	← FYE 31 December →			
	2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000
Dolphin Applications				
- sale of goods	280	433	5	506
- purchase of goods	4	19	4	39
Dolphin Engineering				
- sale of goods	29	19	371	-
- purchase of goods	36	*	-	-
- rental expenses	10	10	10	10

* RM427

(l) Financial Instruments**(i) Financial Risk Management and Objectives**

Dolphin Systems is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk and liquidity risk.

The directors of Dolphin Systems review and agree policies and procedures for the management of these risks.

The following sections provide details regarding Dolphin Systems' exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.5 Notes to the Audited Financial Statements of Dolphin Systems (Continued)****(l) Financial Instruments (Continued)****(i) Financial Risk Management and Objectives (Continued)****(a) Credit Risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counter party default on its obligation. Dolphin Systems' exposure to credit risk arises primarily from trade and other receivables.

Dolphin Systems' objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. Receivable balances are monitored on an ongoing basis with the result that Dolphin Systems' exposure to bad debts is not significant.

Exposure to credit risk

At the end of the reporting period, Dolphin Systems' maximum exposure to the credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 8.6.5(g).

Receivables that are neither past due nor impaired

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 8.6.5(g).

Receivables that are past due but not impaired

Information regarding trade receivables that are past due but not impaired is disclosed in Note 8.6.5(g).

Credit risk concentration profile

At the end of the reporting period, Dolphin Systems has a significant concentration of credit risk in the form of three (3) (2011 and 2012: one (1), 2013: five (5)) major trade receivables, representing all (2011: 71.6%, 2012: 78.9% and 2013: 100%) of Dolphin Systems' total trade receivables.

(b) Liquidity Risk

Liquidity risk is the risk that Dolphin Systems will encounter difficulty in meeting financial obligations due to shortage of funds, Dolphin Systems' exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.5 Notes to the Audited Financial Statements of Dolphin Systems (Continued)****(l) Financial Instruments (Continued)****(i) Financial Risk Management and Objectives (Continued)****(b) Liquidity Risk (Continued)**

Dolphin Systems obtains financial support from the directors and shareholders to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities on and when they fall due.

At the end of the reporting period, all of Dolphin Systems' financial liabilities, as disclosed in Note 8.6.5(j), will mature in less than one year based on the carrying amount reflected in the statements of financial position.

(ii) Fair Value Measurement

Dolphin Systems' fair value hierarchy is defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical financial instrument

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

Level 3: Inputs for the financial instrument that are not based on observable market data

Dolphin Systems' does not have any financial assets or financial liabilities measured at Level 1, 2 and 3 hierarchy.

There were no unrecognised financial instruments as at 31 December 2011, 31 December 2012, 31 December 2013 and 31 December 2014 that are required to be disclosed.

(m) Capital Management

The primary objective of Dolphin Systems' capital management is to build and maintain a strong capital base so as to maintain healthy capital ratios and at the same time be able to leverage on the capital to provide the funds to fund its expansion and growth.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.6 Audited Financial Statements of Dolphin Systems (Continued)****8.6.5 Notes to the Audited Financial Statements of Dolphin Systems (Continued)****(m) Capital Management (Continued)**

Dolphin Systems manages its capital structure, and makes adjustment to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, Dolphin Systems may adjust dividend payment to shareholders, return capital to shareholders or issue new shares, raise new debts and reduce existing debts.

The capital structure of Dolphin Systems consists of equity attributable to owners of Dolphin Systems, comprising share capital, accumulated losses and total liabilities.

The debt-to-equity ratio is as follows:-

	← FYE 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Total liabilities	595	334	92	520
Equity attributable to owners of Dolphin Systems	(389)	17	65	110
Debt-to-equity ratio	-153%	1,948%	143%	473%

There were no changes in Dolphin Systems' approach to capital management during the financial years under review.

Dolphin Systems is not subject to externally imposed capital requirements.

(n) Event Subsequent to the End of the Reporting Period

On 31 March 2015, Dolphin Systems becomes a wholly-owned subsidiary of Dolphin following the completion of the conditional sale and purchase agreement entered by Dolphin and the shareholders of Dolphin Systems to acquire the entire issued and paid-up share capital of Dolphin Systems of RM500,000 comprising 500,000 ordinary shares of RM1.00 each for a cash consideration of RM65,000.

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
 Accountants' Report


8. AUDITED FINANCIAL STATEMENTS (Continued)

8.7 Audited Financial Statements of Dolphin Components

8.7.1 Audited Statements of Profit or Loss and Other Comprehensive Income of Dolphin Components

The audited statements of profit or loss and other comprehensive income of Dolphin Components for the FYE 31 December 2011, FYE 31 December 2012, FYE 31 December 2013 and FYE 31 December 2014 are as follows:-

	Note	← FYE 31 December →			
		2011 RM'000 (Restated)	2012 RM'000 (Restated)	2013 RM'000	2014 RM'000
Revenue		-	-	-	-
Cost of sales		-	-	-	-
Gross profit		-	-	-	-
Administrative expenses		(2)	(2)	(4)	(25)
Loss before tax	8.7.5 (a)	(2)	(2)	(4)	(25)
Income tax expense	8.7.5 (b)	-	-	-	-
Net loss for the financial year, representing total comprehensive loss for the financial year		(2)	(2)	(4)	(25)
<i>Gross profit margin (%)</i>		<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>Loss before tax margin (%)</i>		<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>Effective tax rate (%)</i>		<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>Number of ordinary shares in issue ('000)</i>		+	+	+	100
<i>Gross LPS (RM)</i>		(20.00)	(20.00)	(40.00)	(250.00)
<i>Net EPS (RM)</i>		(20.00)	(20.00)	(40.00)	(250.00)

+ 100 ordinary shares of RM1.00 each

Notes: (i) Gross LPS is computed based on loss before tax for the financial year over the weighted average number of ordinary shares in issue.

(ii) Net LPS is computed based on net loss for the financial year over the weighted average number of ordinary shares in issue.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.7 Audited Financial Statements of Dolphin Components****8.7.2 Audited Statements of Financial Position of Dolphin Components**

The audited statements of financial position of Dolphin Components as at 31 December 2011, 31 December 2012, 31 December 2013 and 31 December 2014 are as follows:-

	Note	←———— As at 31 December —————→			
		2011 RM'000 (Restated)	2012 RM'000 (Restated)	2013 RM'000	2014 RM'000
ASSETS					
Current Assets					
Other receivables	8.7.5 (c)	-	-	-	76
Cash and bank balances	8.7.5 (d)	-	-	-	μ
TOTAL ASSETS		-	-	-	77
EQUITY AND LIABILITIES					
Equity attributable to owners of Dolphin Components					
Share capital	8.7.5 (e)	+	+	+	100
Accumulated losses		(6)	(8)	(11)	(36)
Total Equity		(6)	(8)	(11)	64
Current Liabilities					
Other payable and accruals	8.7.5 (f)	6	8	11	13
Total Liabilities		6	8	11	13
TOTAL EQUITY AND LIABILITIES		-	-	-	77
<i>Number of ordinary shares ('000)</i>					
<i>Number of ordinary shares in issue</i>		+	+	+	100
<i>NTL (RM'000)</i>		(6)	(8)	(11)	64
<i>NTL per ordinary share (RM)</i>		(60)	(80)	(110)	640
<i>NL (RM'000)</i>		(6)	(8)	(11)	64
<i>NL per ordinary share (RM)</i>		(60)	(80)	(110)	640

+ 100 ordinary shares of RM1.00 each

μ RM399

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.7 Audited Financial Statements of Dolphin Components (Continued)****8.7.3 Audited Statements of Changes in Equity of Dolphin Components**

The audited statements of changes in equity of Dolphin Components as at 31 December 2011, 31 December 2012, 31 December 2013 and 31 December 2014 are as follows:-

	Share Capital RM	Accumulated Losses RM	Total Equity RM
At 1 January 2011,			
As previously reported	+	-	+
Prior year adjustments (Note 8.7.5(k))	-	(4)	(4)
At 1 January 2011, as restated	+	(4)	(4)
Total comprehensive loss for the financial period			
As previously reported	-	-	-
Prior year adjustments (Note 8.7.5(k))	-	(2)	(2)
As restated	-	(2)	(2)
At 31 December 2011, as restated	+	(6)	(6)
At 1 January 2012,			
As previously reported	+	-	+
Prior year adjustments (Note 8.7.5(k))	-	(6)	(6)
At 1 January 2012, as restated	+	(6)	(6)
Total comprehensive loss for the financial period			
As previously reported	-	-	-
Prior year adjustments (Note 8.7.5(k))	-	(2)	(2)
As restated	-	(2)	(2)
At 31 December 2012	+	(8)	(8)

+ RM100

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.7 Audited Financial Statements of Dolphin Components (Continued)****8.7.3 Audited Statements of Changes in Equity of Dolphin Components (Continued)**

	Share Capital RM	Accumulated Losses RM	Total Equity RM
At 1 January 2013			
As previously reported	+	-	+
Prior year adjustments (Note 8.7.5(k))	-	(7)	(7)
At 1 January 2013, as restated	+	(7)	(7)
Total comprehensive loss for the financial year	-	(4)	(4)
At 31 December 2013	+	(11)	(11)
Transactions with owners:			
Issuance of shares (Note 8.7.5(e))	100	-	100
Total transaction with owners	100	-	100
Total comprehensive loss for the financial year	-	(25)	(25)
At 31 December 2014	100	(36)	64

+ RM100

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
 Accountants' Report


8. AUDITED FINANCIAL STATEMENTS (Continued)

8.7 Audited Financial Statements of Dolphin Components (Continued)

8.7.4 Audited Statements of Cash Flows of Dolphin Components

The audited statements of cash flows of Dolphin Components for FYE 31 December 2011, FYE 31 December 2012, FYE 31 December 2013 and 31 December 2014 are as follows:

	← FYE 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
	(Restated)	(Restated)		
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax and working capital changes	(2)	(2)	(4)	(25)
Changes in working capital:				
Payables	#	*	2	±
Net Operating Cash Flows	(2)	(2)	(2)	(25)
CASH FLOWS FROM FINANCING ACTIVITIES				
Net change in amount due to a director	2	2	2	(8)
Proceeds from issuance of shares	-	-	-	100
Net change in amount due from/to a company in which the directors have interests	^	-	-	(66)
Net Financing Cash Flows	2	2	2	26
NET CHANGE IN CASH AND CASH EQUIVALENTS	-	-	-	Ω
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	-	-	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	-	-	-	Ω
ANALYSIS OF CASH AND CASH EQUIVALENTS				
Cash at bank	-	-	-	Ω

RM191 * (RM191) ^ RM500 ± RM432 Ω RM399

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.7 Audited Financial Statements of Dolphin Components (Continued)****8.7.5 Notes to the Audited Financial Statements of Dolphin Components****(a) Loss Before Tax**

Loss before tax is arrived at:

	← FYE 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
	(Restated)	(Restated)		
After charging:-				
Auditors' remuneration	1	1	2	3
Rental of premises	-	-	-	10
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

(b) Income Tax Expense

No provision for income tax has been made as Dolphin Components incurred losses and has no chargeable income during the financial year.

The reconciliation of income tax expense applicable to loss before tax at the statutory income tax rate to income tax expense at the effective income tax rate of Dolphin Components is as follows:-

	← FYE 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
	(Restated)	(Restated)		
Loss before tax	(2)	(2)	(4)	(25)
Tax at applicable tax rates of 25%	@	@	^	(6)
Tax effect arising from - non-deductible expenses	*	*	#	6
Tax expense for the financial year	<u> </u>	<u> </u>	<u> </u>	<u> </u>

@ (RM460)

* RM460

^ (RM909)

RM909

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.7 Audited Financial Statements of Dolphin Components (Continued)****8.7.5 Notes to the Audited Financial Statements of Dolphin Components (Continued)****(c) Other receivables**

	←	As at 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Other receivables				-
Amount due from a company in which certain directors have interests	-	-	-	76
Total other receivables	-	-	-	76
Add:				
Cash and bank balances (Note: 8.7.5(d))	-	-	-	μ
Total loans and receivables	-	-	-	77

μ RM399

The amounts due from a company in which certain directors have interests is non-trade in nature, unsecured, interest free and receivable upon demand.

(d) Cash and bank balances

	←	As at 31 December		→
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Cash at banks	-	-	-	μ

μ RM399

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

8. AUDITED FINANCIAL STATEMENTS (Continued)

8.7 Audited Financial Statements of Dolphin Components (Continued)

8.7.5 Notes to the Audited Financial Statements of Dolphin Components (Continued)

(e) Share Capital

	As at 31 December			
	2011	2012	2013	2014
	Number of Shares Unit ('000)	Number of Shares Unit ('000)	Number of Shares Unit ('000)	Number of Shares Unit ('000)
	RM'000	RM'000	RM'000	RM'000
Ordinary shares of RM1/- each	100	100	100	100
Authorised :				
At the beginning/end of the financial year	100	100	100	100
Issued and fully paid:				
At the beginning of the financial year	+	*	*	*
Issued during the financial year	-	-	-	-
As the end of the financial year	+	*	+	+
+				
* <i>100 ordinary shares of RM1.00 each</i>				
* <i>RM100</i>				



11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.7 Audited Financial Statements of Dolphin Components (Continued)****8.7.5 Notes to the Audited Financial Statements of Dolphin Components (Continued)****(e) Share Capital (Continued)**

On 2 April 2014, Dolphin Components increased its issued and fully paid-up share capital from RM100 to RM100,000 through the allotment of 99,900 new ordinary shares of RM1.00 each at par for cash for working capital purposes.

These new ordinary shares issued during the financial year ranked *pari passu* in all respects with the existing shares of Dolphin Components.

(f) Other Payable and Accruals

	← As at 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Other payables				
Other payables	5	7	9	10
Accruals	1	1	2	3
Total other financial liabilities carried at amortised cost	6	8	11	13

Other payables

Included in other payables of Dolphin Components are the following:

- (i) An amount of RM10,000 (2011, 2012 and 2013: RM500) due to companies in which certain directors have interest; and
- (ii) An amount of RM Nil (2011: RM4,690, 2012: RM6,722 and 2013: RM8,089) due to a director.

The amounts due to companies in which certain directors have interests is non-trade in nature, unsecured, interest free and payable upon demand.

The amount due to a director is non-trade in nature, unsecured, interest free and repayable upon demand.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.7 Audited Financial Statements of Dolphin Components (Continued)****8.7.5 Notes to the Audited Financial Statements of Dolphin Components (Continued)****(g) Significant related party disclosures**

A related party is an entity or person that directly or indirectly through one or more intermediary controls, is controlled by, or is under common or joint control with Dolphin Components or that has an interest in Dolphin Components that gives it significant influence over the Company's financial operating policies. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence for which significant voting power in Dolphin Components resides with, directly or indirectly.

The nature of the relationship with the related parties is as follows:

Name of Related Parties	Nature of Relationship
Dolphin Applications	A company in which certain directors have interests.
Dolphin	A company in which certain directors have interests.
Dolphin Engineering	A company in which certain directors have interests.

Other than disclosed elsewhere in the financial statements, the significant related party transactions between Dolphin Components and its related parties were as follows:-

	← FYE 31 December →			
	2011	2012	2013	2014
	RM'000	RM'000	RM'000	RM'000
Dolphin Engineering				
- rental expenses	-	-	-	10

(h) Financial Instruments**(i) Financial Risk Management and Objectives**

Dolphin Components is exposed to liquidity risk arising from its various payables.

The directors of Dolphin Components review and agree policies and procedures for the management of this risk.

The following sections provide details regarding Dolphin Components' exposure to the above-mentioned financial risk and the objectives, policies and processes for the management of this risk.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report

8. **AUDITED FINANCIAL STATEMENTS (Continued)**
- 8.7 **Audited Financial Statements of Dolphin Components (Continued)**
- 8.7.5 **Notes to the Audited Financial Statements of Dolphin Components (Continued)**
- (h) **Financial Instruments (Continued)**
- (i) **Financial Risk Management and Objectives (Continued)**

Liquidity Risk

Liquidity risk is the risk that Dolphin Components will encounter difficulty in meeting financial obligations due to shortage of funds, Dolphin Components' exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

Dolphin Components obtains financial support from the directors and shareholders to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities on and when they fall due.

At the end of the reporting period, all of Dolphin Components' financial liabilities, as disclosed in Note 8.7.5(d), will mature in less than one year based on the carrying amounts reflected in the statement of financial position.

(ii) Fair Value Measurement

Dolphin Components' fair value hierarchy is defined as follows:

- Level 1: Unadjusted quoted prices in active markets for identical financial instrument
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the financial instrument, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: Inputs for the financial instrument that are not based on observable market data

Dolphin Components' does not have any financial assets or financial liabilities measured at Levels 1, 2 and 3 hierarchy.

There were no unrecognised financial instruments as at 31 December 2011, 31 December 2012, 31 December 2013 and 31 December 2014 that are required to be disclosed.

(i) Capital Management

The primary objective of Dolphin Components' capital management is to build and maintain a strong capital base so as to maintain healthy capital ratios and at the same time be able to leverage on the capital to provide the funds to fund its expansion and growth.

11. ACCOUNTANTS' REPORT (Cont'd)**DOLPHIN INTERNATIONAL BERHAD**
Accountants' Report**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.7 Audited Financial Statements of Dolphin Components (Continued)****8.7.5 Notes to the Audited Financial Statements of Dolphin Components (Continued)****(i) Capital Management (Continued)**

Dolphin Components manages its capital structure, and makes adjustment to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, Dolphin Components may adjust dividend payment to shareholders, return capital to shareholders or issue new shares, raise new debts and reduce existing debts.

The capital structure of Dolphin Components consists of equity attributable to owners of Dolphin Components, comprising share capital, accumulated losses and total liabilities.

The debt-to-equity ratio is as followings:-

	←	As at 31 December			→
	2011	2012	2013	2014	
	RM'000	RM'000	RM'000	RM'000	
Total liabilities	6	8	11	13	
Equity attributable to the owners of Dolphin Components	(6)	(8)	(11)	64	
Debt-to-equity ratio	(100%)	(100%)	(100%)	20%	

There were no changes in Dolphin Components' approach to capital management during the financial years under review.

Dolphin Components is not subject to externally imposed capital requirements.

(j) Event subsequent to the end of the reporting period

On 31 March 2015, the Company becomes a 75%-owned subsidiary of Dolphin International Berhad following the completion of the conditional sale and purchase agreement entered into by Dolphin International Berhad with the shareholders of the Company, namely Low Teck Yin and Hoh Yeong Cherng, to acquire the 75,000 ordinary shares of RM1.00 each, representing 75% of the equity interests in the Company for a total cash consideration of RM65,000.

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report

**8. AUDITED FINANCIAL STATEMENTS (Continued)****8.7 Audited Financial Statements of Dolphin Components (Continued)****8.7.5 Notes to the Audited Financial Statements of Dolphin Components (Continued)****(k) Prior Year Adjustments and Comparative Figures (Continued)**

- (i) The comparative figures for the FYE 2011 have been audited by a firm of chartered accountants other than Messrs. Baker Tilly Monteiro Heng.
- (ii) The prior year adjustments were in relation to preliminary and administrative expenses charged to profit or loss which were incorrectly capitalised as deferred expenditure in the previous financial years.

As a result of the above prior year adjustments, corresponding adjustments have been made to the statements of changes in equity and statements of cash flows.

The effects of the above-mentioned adjustments use as detailed below:-

	As Previously Reported RM'000	Prior Year Adjustments RM'000	As Restated RM'000
As at 1 January 2011			
<u>Statement of financial position</u>			
Deferred expenditure	4	(4)	-
Accumulated losses	-	(4)	(4)
<hr/>			
As at 31 December 2011			
<u>Statement of financial position</u>			
Deferred expenditure	6	(6)	-
Accumulated losses	-	6	6
<hr/>			
As at 31 December 2012			
<u>Statement of financial position</u>			
Deferred expenditure	8	(8)	-
Accumulated losses	-	8	8
<hr/>			
FYE 31 December 2011			
<u>Statement of profit or loss and other comprehensive income</u>			
Administrative expenses	-	(2)	(2)
<hr/>			
FYE 31 December 2012			
<u>Statement of profit or loss and other comprehensive income</u>			
Administrative expenses	-	(2)	(2)
<hr/>			

11. ACCOUNTANTS' REPORT (Cont'd)

DOLPHIN INTERNATIONAL BERHAD
Accountants' Report



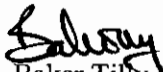
9. SIGNIFICANT SUBSEQUENT EVENTS

Other than as disclosed elsewhere in this Report, there were no other significant subsequent events between the date of the last audited financial statements used in the preparation of this Report and the date of this Report which will affect materially the contents of this Report.

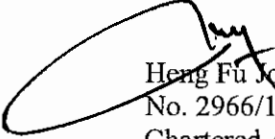
10. AUTHORISATION OF AUDITED FINANCIAL STATEMENTS

As at the date of this Report, no audited financial statements have been prepared in respect of any period subsequent to 31 December 2014 for Dolphin and its subsidiaries.

Yours faithfully,



Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants



Heng Fu Joe
No. 2966/11/16 (J)
Chartered Accountant

11. ACCOUNTANTS' REPORT (Cont'd)

Company No. 1001521-X



BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DOLPHIN INTERNATIONAL BERHAD**
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN INTERNATIONAL BERHAD**, which comprise the statement of financial position as at 31 December 2012 of the Company, and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial period from 14 May 2012 (date of incorporation) to 31 December 2012, and a summary of significant accounting policies and other explanatory information, as set out on pages 5 to 25.

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 the 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 controls as the directors determine are 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 judgment, 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 1001521-X

Opinion

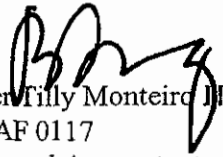
In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2012 and of its financial performance and cash flows for the financial period from 14 May 2012 (date of incorporation) to 31 December 2012 in accordance with the Malaysian Financial 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 that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

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 contents of this report.


Baker Tilly Monteiro Jheng
No. AF 0117
Chartered Accountants


Heng Ji Keng
No. 578/05/14 (J/PH)
Chartered Accountant

Kuala Lumpur

Date: 10 JUN 2013

11. ACCOUNTANTS' REPORT (Cont'd)

Company No. 1001521-X



BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DOLPHIN INTERNATIONAL BERHAD**
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN INTERNATIONAL BERHAD**, which comprise the statement of financial position as at 31 December 2013 of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows 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 5 to 28.

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 the 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 controls as the directors determine are 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 1001521-X

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2013 and of its financial performance and cash flows for the financial year then ended in accordance with the 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 that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

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 contents of this report.

A handwritten signature in black ink, appearing to read "Baker Tilly Monteiro Heng".

Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants

A handwritten signature in black ink, appearing to read "Heng Pu Joe".

Heng Pu Joe
No. 2966/11/14 (J)
Chartered Accountant

Kuala Lumpur

Date: 13 JUN 2014

11. ACCOUNTANTS' REPORT (Cont'd)

Company No. 1001521-X



BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DOLPHIN INTERNATIONAL BERHAD**
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN INTERNATIONAL BERHAD**, which comprise the statement of financial position as at 31 December 2014 of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows 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 6 to 34.

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 the 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 controls as the directors determine are 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 1001521-X

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2014 and of its financial performance and cash flows for the financial year then ended in accordance with the 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 that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

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 contents of this report.

A handwritten signature in black ink, appearing to read "Baker Tilly Monteiro Heng".

Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants

A handwritten signature in black ink, appearing to read "Heng Fu Joe".

Heng Fu Joe
No. 2966/N/16 (J)
Chartered Accountant

Kuala Lumpur

Date: 23 April 2015

11. ACCOUNTANTS' REPORT (Cont'd)



BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

Company No. 791544-V

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DOLPHIN APPLICATIONS SDN. BHD.**
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the accompanying financial statements of **DOLPHIN APPLICATIONS SDN. BHD.**, which comprise the statements of financial position as at 31 December 2011 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 6 to 72.

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 the Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal controls as the directors determine are 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 judgment, 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 791544-V

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 December 2011 and of their financial performance and cash flows for the financial year then ended in accordance with the Financial Reporting Standards and the requirement 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 Companies Act, 1965 in Malaysia to be kept by the Company of which we have acted as auditors have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.
- (b) We have considered the financial statements and the auditors' reports of the subsidiary of which we have not acted as auditors, which are indicated in Note 5 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiary that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' report on the financial statements of the subsidiary did not contain any material qualification or any adverse comment made under Section 174(3) of the Companies Act, 1965 in Malaysia.

11. ACCOUNTANTS' REPORT (Cont'd)




Company No. 791544-V

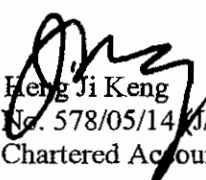
Other Matters

As stated in Note 2 to the financial statements, Dolphin Applications Sdn. Bhd. adopted the Financial Reporting Standards on 1 January 2011. These standards were applied retrospectively by the directors to the comparative information in these financial statements, including the statements of financial position as at 31 December 2010 and 1 January 2010, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the financial year ended 31 December 2010 and its related disclosures. We were not engaged to report on the restated comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Company for the financial year ended 31 December 2011 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 January 2011 do not contain misstatements that materially affect the financial position as at 31 December 2011 and the financial performance and cash flows for the financial year then ended.

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.

The audited financial statements of the Company for the financial year ended 31 December 2010 were audited by another firm of Chartered Accountants whose reports dated 8 March 2011, with unmodified opinions on those financial statements.


Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants


Heng Ji Keng
No. 578/05/14 (J/PH)
Chartered Accountant

Kuala Lumpur

Date: 26 FEB 2013

11. ACCOUNTANTS' REPORT (Cont'd)



BAKER TILLY

Baker Tilly Montelro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

Company No. 791544-V

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DOLPHIN APPLICATIONS SDN. BHD.**
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN APPLICATIONS SDN. BHD.**, which comprise the statements of financial position as at 31 December 2012 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 6 to 68.

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 the 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 controls as the directors determine are 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 judgment, 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 791544-V

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 December 2012 and of their financial performance and cash flows for the financial year then ended in accordance with the 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 Companies Act, 1965 in Malaysia to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.
- (b) We have considered the financial statements and the auditor's report of the subsidiary of which we have not acted as auditors, which are indicated in Note 5 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiary that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit report on the financial statements of the subsidiary did not contain any qualification or any adverse comment made under Section 174(3) of the Companies Act, 1965 in Malaysia.

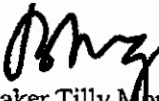
11. ACCOUNTANTS' REPORT (Cont'd)




Company No. 791544-V

Other Matters

1. As stated in Note 2 to the financial statements, the Group and the Company adopted the Malaysian Financial Reporting Standards on 1 January 2012 with a transition date of 1 January 2011. These standards were applied retrospectively by the directors to the comparative information in these financial statements, including the statements of financial position as at 31 December 2011 and 1 January 2011, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the financial year ended 31 December 2011 and its related disclosures. We were not engaged to report on the comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Group and of the Company for the financial year ended 31 December 2012 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 January 2011 do not contain misstatements that materially affect the financial position as at 31 December 2012 and the financial performance and cash flows for the financial year then ended.
2. This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia, and for no other purpose. We do not assume responsibility to any other person for the contents of this report.


Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants


Hong Ji Ken
No. 578/05/14 (J/PH)
Chartered Accountant

Kuala Lumpur

Date: 16 OCT 2013

11. ACCOUNTANTS' REPORT (Cont'd)



BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower,
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

Company No. 791544-V

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DOLPHIN APPLICATIONS SDN. BHD.**
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN APPLICATIONS SDN. BHD.**, which comprise the statements of financial position as at 31 December 2013 of the Group and of the Company, and the statements of 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 6 to 71.

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 the 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 controls as the directors determine are 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 791544-V

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 December 2013 and of their financial performance and cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

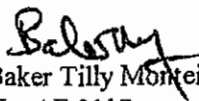
Report on Other Legal and Regulatory Requirements

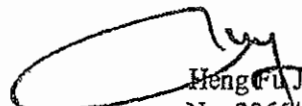
In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:-

- (a) In our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.
- (b) We have considered the financial statements and the auditors' report of the subsidiary of which we have not acted as auditors, which is indicated in Note 6 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiary that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit report on the financial statements of the subsidiary did not contain any qualification or any adverse comment made under Section 174(3) of the Companies Act, 1965 in Malaysia.

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 contents of this report.


Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants


Heng Fu Joe
No. 2966/11/14 (J)
Chartered Accountant

Kuala Lumpur

Date: 13 JUN 2014

11. ACCOUNTANTS' REPORT (Cont'd)*Company No. 791544-V***BAKER TILLY**

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DOLPHIN APPLICATIONS SDN. BHD.**

(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN APPLICATIONS SDN. BHD.**, which comprise the statements of financial position as at 31 December 2014 of the Group and the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 6 to 78.

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 the 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 controls as the directors determine are 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 controls relevant to the Group's and 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 Group's and the Company's internal controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 791544-V

Opinion

In our opinion, the financial statements give a true and fair view of the financial positions of the Group and the Company as at 31 December 2014 and of their financial performances and cash flows for the financial year then ended in accordance with the 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 Companies Act, 1965 in Malaysia to be kept by the Company and its subsidiary of which we have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.
- (b) We have considered the financial statements and the auditors' report of the subsidiary of which we have not acted as auditors, which is indicated in Note 6 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit report on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Companies Act, 1965 in Malaysia.

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 contents of this report.

A handwritten signature in black ink, appearing to read "Baker Tilly Monteiro Heng".

Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants

A handwritten signature in black ink, appearing to read "Heng Fu Joo".

Heng Fu Joo
No. 2966/11/16 (J)
Chartered Accountant

Kuala Lumpur

Date: 23 April 2015

11. ACCOUNTANTS' REPORT (Cont'd)

Company No. 1092109-T

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF
DOLPHIN ROBOTIC SYSTEMS SDN BHD**
(Incorporated in Malaysia)



BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN ROBOTIC SYSTEMS SDN BHD**, which comprise the statement of financial position as at 31 December 2014 of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial period from 5 May 2014 (Date of Incorporation) to 31 December 2014, and a summary of significant accounting policies and other explanatory information, as set out on pages 6 to 32.

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 the 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 controls as the directors determine are 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 1092109-T

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2014 and of its financial performance and cash flows for the financial period then ended in accordance with the 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 that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

Other Matters

This report is made solely to the member 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 contents of this report.

A handwritten signature in black ink, appearing to read "Baker Tilly Monteiro Heng".

Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants

A handwritten signature in black ink, appearing to read "Heng Fu Jee".

Heng Fu Jee
No. 2966/11/16 (J)
Chartered Accountant

Kuala Lumpur

Date: 23 April 2015

11. ACCOUNTANTS' REPORT (Cont'd)



KANTOR AKUNTAN
JOHAN MALONDA MUSTIKA & REKAN
Certified Public Accountants
License No. : 951/KM.1/2010

Jl. Pulo Raya 200 Blok V No. 1-5 Jakarta - 14450 Indonesia
Tel. : (62-21) 661-7155 Fax. : (62-21) 663-0455
E-mail : jmjkt@johanmalonda.com www.johanmalonda.com
With Offices in Surabaya, Medan and Bali



www.bakertillyinternational.com

INDEPENDENT AUDITOR'S REPORT

Report No. 12337.IFRS-B1B/JMM1.KMK1

The Stockholders, Commissioner and Directors
PT DOLPHIN INDONESIA

We have audited the accompanying Statement of Financial Position of **PT Dolphin Indonesia** as of December 31, 2011, and the related Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period from May 16, 2011 (Date of Establishment) to December 31, 2011.

Management's Responsibility for the Special Purpose Financial Information

Management is responsible for the preparation and presentation of this special purpose financial information in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the special purpose financial information that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. This special purpose financial information has been prepared solely to enable Dolphin Applications Sdn. Bhd to prepare its consolidated financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on this special purpose financial information based on our audit. We conducted our audit in accordance with International Standards on Auditing. International Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the special purpose financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special purpose financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the special purpose financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the special purpose financial information.

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

11. ACCOUNTANTS' REPORT (Cont'd)



JOHAN MALONDA MUSTIKA & REKAN
PT DOLPHIN INDONESIA

Unqualified Opinion

In our opinion, the Financial Statements referred to above present fairly, in all material respects, the Financial Position of **PT Dolphin Indonesia** as of December 31, 2011 and the Results of its Operations, Changes in its Equity and its Cash Flows for the period from May 16, 2011 (Date of Establishment) to December 31, 2011, in conformity with International Financial Reporting Standards.

Restriction on Use and Distribution

We have audited the Company's Financial Statements based on Indonesian Financial Accounting Standards issued by the Indonesian Institute of Accountants in our Report No. 12337-B1B/JMM1.KMK1 dated June 4, 2012. As a result, the audited Financial Statement which is prepared under Indonesian Financial Accounting Standard, has been translated to conform with those under International Financial Reporting Standards. The Financial information may therefore, not be suitable for another purpose. This special purpose financial information has been prepared for the purposes of providing information to Dolphin Application Sdn. Bhd. to enable it to prepare the consolidated financial statements.

JOHAN MALONDA MUSTIKA & REKAN
Licence No. 951/KM.1/2010

Kiman Mustika Karta, CPA
Public Accountant Registration AP.0730

June 4, 2012

11. ACCOUNTANTS' REPORT (Cont'd)



KANTOR AKUNTAN PUBLIK
JOHAN MALONDA MUSTIKA & REKAN
Certified Public Accountants
License No. : 951/KM.1/2010

Jl. Pluit Raya 200 Blok V No. 1-5 Jakarta - 14440 Indonesia
Tel. : (62-21) 661-7155 Fax. : (62-21) 663-0455
E-mail : jmjkt@johanmalonda.com www.johanmalonda.com
With Offices in Surabaya, Medan and Bali



an independent member of
BAKER TILLY
INTERNATIONAL

www.bakertillyinternational.com

INDEPENDENT AUDITOR'S REPORT

Report No. 13302.IFRS-B1B/JMM2.KMK2

The Stockholders, Commissioner and Directors
PT DOLPHIN INDONESIA

We have audited the accompanying Statements of Financial Position of **PT Dolphin Indonesia** as of December 31, 2012 and 2011, and the related Statements of Comprehensive Income, Statements of Cash Flows for the year ended December 31, 2012 and the period from May 16, 2011 (Date of Establishment) to December 31, 2011.

Management's Responsibility for the Special Purpose Financial Information

Management is responsible for the preparation and presentation of this special purpose financial information in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the special purpose financial information that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. This special purpose financial information has been prepared solely to enable Dolphin Applications Sdn. Bhd to prepare its consolidated financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on this special purpose financial information based on our audits. We conducted our audits in accordance with International Standards on Auditing. International Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the special purpose financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special purpose financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the special purpose financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the special purpose financial information.

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

11. ACCOUNTANTS' REPORT (Cont'd)



JOHAN MALONDA MUSTIKA & REKAN

PT DOLPHIN INDONESIA

Unqualified Opinion

In our opinion, the Financial Statements referred to above present fairly, in all material respects, the Financial Position of **PT Dolphin Indonesia** as of December 31, 2012 and 2011, and the Results of its Operations and its Cash Flows for the year ended December 31, 2012 and the period from May 16, 2011 (Date of Establishment) to December 31, 2011, in conformity with International Financial Reporting Standards.

Emphasis of Matter

We draw attention to Note 20 to the Financial Statements that the Company incurred a net loss of Rp 6.72 billion for the financial year ended December 31, 2012, resulting in the Company's capital deficiency of Rp 5.39 billion as of December 31, 2012.

These factors indicate the existence of material uncertainties which may cast significant doubt about the Company's ability to continue as a going concern. In 2012, the Company obtained financial support from the stockholder amounting to Rp 8.47 billion. If the Company is unable to continue in operational existence for the foreseeable future, the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realized other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the Statement of Financial Position. No adjustments have been made to these Financial Statements.

Restriction on Use and Distribution

We have audited the Company's Financial Statements based on Indonesian Financial Accounting Standards issued by the Indonesian Institute of Accountants in our Report No. 13302-B1B/JMM2.KMK2 dated April 26, 2013. As a result, the audited Financial Statements which are prepared under Indonesian Financial Accounting Standards, have been translated to conform with those under International Financial Reporting Standards. The financial information may therefore, not be suitable for another purpose. This special purpose financial information has been prepared for the purposes of providing information to Dolphin Application Sdn. Bhd. to enable it to prepare the Consolidated Financial Statements.

JOHAN MALONDA MUSTIKA & REKAN

Licence No. 951/KM.1/2010

Kiman Mustika Karta, CPA
Public Accountant Registration AP.0730

April 26, 2013

11. ACCOUNTANTS' REPORT (Cont'd)



KANTOR AKUNTAN PUBLIK
JOHAN MALONDA MUSTIKA & REKAN
Certified Public Accountants
License No. : 951/KM.1/2010

Jl. Pluit Raya 200 Blok V No. 1-5 Jakarta - 14450 Indonesia
Tel. : (62-21) 661-7155 Fax. : (62-21) 663-0455
E-mail : jmjkt@johanmalonda.com www.johanmalonda.com
With Offices in Surabaya, Medan and Bali



www.bakertillyinternational.com

INDEPENDENT AUDITOR'S REPORT

Report No. 14123.IFRS-B1B/JMM3.KMK3

The Stockholders, Commissioner and Directors
PT DOLPHIN INDONESIA

We have audited the accompanying Financial Statements of **PT Dolphin Indonesia (the Company)** which comprise the Statement of Financial Position as of December 31, 2013, and the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Special Purpose Financial Information

Management is responsible for the preparation and presentation of this special purpose financial information in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the special purpose financial information that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. This special purpose financial information has been prepared solely to enable Dolphin Applications Sdn. Bhd to prepare its Consolidated Financial Statements.

Auditor's Responsibility

Our responsibility is to express an opinion on this special purpose financial information based on our audit. We conducted our audit in accordance with International Standards on Auditing. International Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the special purpose financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special purpose financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the special purpose financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the special purpose financial information.

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

11. ACCOUNTANTS' REPORT (Cont'd)



JOHAN MALONDA MUSTIKA & REKAN

PT DOLPHIN INDONESIA

Opinion

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the Financial Position of **PT Dolphin Indonesia** as of December 31, 2013, and its Financial Performance and Cash Flows for the year then ended, in conformity with International Financial Reporting Standards.

Emphasis of Matters

The accompanying Financial Statements have been prepared assuming that the Company will continue to operate as a going concern. As described in Note 22 to the Financial Statements, the Company's deficit as of December 31, 2013 has reached Rp 16.63 billion or 83.25% of its capital stock and additional paid-in capital. The Company's management's plans and actions to overcome such condition are also disclosed in Note 22 to the Financial Statements. The accompanying Financial Statements do not include any adjustments that might result from the outcome of such condition.

Other Matter

As disclosed in Note 23 to the Financial Statements, the Company's management applied the Government Regulation No. 51 of 2008, "Income Tax on Income from Construction Services Fees". Therefore, the Financial Statements as of and for the year ended December 31, 2012 have been restated by the Company's management and our opinion is no modified in respect of this matter.

We have audited the Company's Financial Statements based on Indonesian Financial Accounting Standards issued by the Indonesian Institute of Accountants in our Report No. 14123-B1B/JMM3.KMK3 dated February 18, 2014. As a result, the audited Financial Statements which are prepared under Indonesian Financial Accounting Standards have been translated to conform with those under International Financial Reporting Standards. The financial information may therefore, not be suitable for another purpose. This special purpose financial information has been prepared for the purposes of providing information to Dolphin Applications Sdn. Bhd. to enable it to prepare its Consolidated Financial Statements.

JOHAN MALONDA MUSTIKA & REKAN

Licence No. 951/KM.1/2010

Kiman Mustika Karta, CPA
Public Accountant Registration AP.0730

February 18, 2014

11. ACCOUNTANTS' REPORT (Cont'd)



KANTOR AKUNTAN
JOHAN MALONDA MUSTIKA & REKAN
Certified Public Accountants
License No : 951/KM.1/2010

Jl. Pluit Raya 200 Blok V No. 1-5 Jakarta - 14450 Indonesia
Tel. : (62-21) 661-7155 Fax. : (62-21) 663-0455
E-mail : jmjkt@johanmalonda.com www.johanmalonda.com
With Offices in Surabaya, Medan and Bali



www.bakertillyinternational.com

INDEPENDENT AUDITOR'S REPORT

Report No. 15156.IFRS-B1B/JMM4.MT1

The Stockholders, Commissioner and Directors
PT DOLPHIN INDONESIA

We have audited the accompanying Financial Statements of **PT Dolphin Indonesia** ("the Company") which consist of the Statement of Financial Position as of December 31, 2014, and the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Special Purpose Financial Information

Management is responsible for the preparation and presentation of this special purpose financial information in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the special purpose financial information that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. This special purpose financial information has been prepared solely to enable Dolphin Applications Sdn. Bhd to prepare its Consolidated Financial Statements.

Auditor's Responsibility

Our responsibility is to express an opinion on this special purpose financial information based on our audit. We conducted our audit in accordance with International Standards on Auditing. International Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the special purpose financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special purpose financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the special purpose financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the special purpose financial information.

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

11. ACCOUNTANTS' REPORT (Cont'd)



JOHAN MALONDA MUSTIKA & REKAN
PT DOLPHIN INDONESIA

Opinion

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the Financial Position of **PT Dolphin Indonesia** as of December 31, 2014, and its Financial Performance and Cash Flows for the year then ended, in conformity with International Financial Reporting Standards.

Emphasis of Matter

The accompanying Financial Statements have been prepared assuming that the Company will continue to operate as a going concern. As described in Note 23 to the Financial Statements, the Company's deficit as of December 31, 2014 has reached Rp 18.50 billion or 92.50% of its capital stock and additional paid-in capital. The Company's management's plans and actions to overcome such condition are also disclosed in Note 23 to the Financial Statements. The accompanying Financial Statements do not include any adjustments that might result from the outcome of such condition.

Other Matter

We have audited the Company's Financial Statements based on Indonesian Financial Accounting Standards issued by the Indonesian Institute of Accountants in our Report No. 15156-B1B/JMM4.MT1 dated March 16, 2015. As a result, the audited Financial Statements which are prepared under Indonesian Financial Accounting Standards have been translated to conform with those under International Financial Reporting Standards. The financial information may therefore, not be suitable for another purpose. This special purpose financial information has been prepared for the purposes of providing information to Dolphin Applications Sdn. Bhd. to enable it to prepare its Consolidated Financial Statements.

JOHAN MALONDA MUSTIKA & REKAN
Licence No. 951/KM.1/2010

Martono, CPA
Public Accountant Registration AP.0719

March 16, 2015

11. ACCOUNTANTS' REPORT (Cont'd)



BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

Company No. 250619-K

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DOLPHIN ENGINEERING (M) SDN. BHD.
(Incorporated in Malaysia)**

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN ENGINEERING (M) SDN. BHD.**, which comprise the statement of financial position as at 31 December 2011 of the Company, and the statement of comprehensive income, statement of changes in equity and statement of cash flows 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 5 to 63.

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 the Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal controls as the directors determine are 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 judgment, 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 250619-K

Opinion


In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2011 and of their financial performance and cash flows for the financial year then ended in accordance with the Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

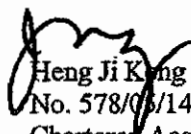
Other Matters

As stated in Note 2 to the financial statements, the Company adopted the Financial Reporting Standards on 1 January 2011. These standards were applied retrospectively by the directors to the comparative information in these financial statements, including the statement of financial position as at 31 December 2010 and 1 January 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year ended 31 December 2010 and its related disclosures. We were not engaged to report on the restated comparative information. Our responsibilities as part of our audit of the financial statements of the Company for the financial year ended 31 December 2011 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 January 2011 do not contain misstatements that materially affect the financial position as at 31 December 2011 and the financial performance and cash flows for the financial year then ended.

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.

The audited financial statements of the Company for the financial year ended 31 December 2010 were audited by another firm of Chartered Accountants whose reports dated 8 March 2011, with unmodified opinions on those financial statements.


Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants


Heng Ji Kong
No. 578/03/14 (J/PH)
Chartered Accountant

Kuala Lumpur

Date: 26 FEB 2013

11. ACCOUNTANTS' REPORT (Cont'd)



BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

Company No. 250619-K

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DOLPHIN ENGINEERING (M) SDN. BHD.
(Incorporated in Malaysia)**

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN ENGINEERING (M) SDN. BHD.**, which comprise the statement of financial position as at 31 December 2012 of the Company, and the statement of comprehensive income, statement of changes in equity and statement of cash flows 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 5 to 53.

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 the 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 controls as the directors determine are 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 judgment, 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 250619-K

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2012 and of its financial performance and cash flows for the financial year then ended in accordance with the 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

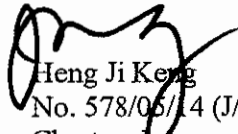
In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

Other Matters

As stated in Note 2 to the financial statements, the Company had adopted the Malaysian Financial Reporting Standards on 1 January 2012 with a transition date of 1 January 2011. These standards were applied retrospectively by the directors to the comparative information in these financial statements, including the statement of financial position as at 31 December 2011 and 1 January 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year ended 31 December 2011 and its related disclosures. We were not engaged to report on the restated comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Company for the financial year ended 31 December 2012 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 January 2012 do not contain misstatements that materially affect the financial position as at 31 December 2012 and the financial performance and cash flows for the financial year then ended.

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 contents of this report.


Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants


Heng Ji Keng
No. 578/05/14 (J/PH)
Chartered Accountant

Kuala Lumpur

Date: 10 June 2013

11. ACCOUNTANTS' REPORT (Cont'd)



BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

Company No. 250619-K

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DOLPHIN ENGINEERING (M) SDN. BHD.**

(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN ENGINEERING (M) SDN. BHD.**, which comprise the statement of financial position as at 31 December 2013 of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows 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 5 to 52.

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 the 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 controls as the directors determine are 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 judgment, 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 250619-K

Opinion

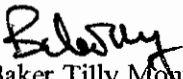
In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2013 and of its financial performance and cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

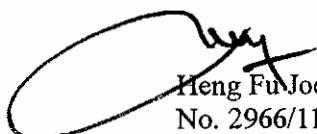
Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

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 contents of this report.


Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants


Heng Fu Joe
No. 2966/11/14 (J)
Chartered Accountant

Kuala Lumpur

Date: 13 JUN 2014

11. ACCOUNTANTS' REPORT (Cont'd)



BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AFO117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

Company No. 250619-K

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DOLPHIN ENGINEERING (M) SDN. BHD.**
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN ENGINEERING (M) SDN. BHD.**, which comprise the statement of financial position as at 31 December 2014 of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows 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 6 to 58.

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 the 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 controls as the directors determine are 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 judgment, 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 250619-K

Opinion


In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2014 and of its financial performance and cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

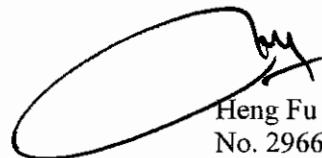
Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

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 contents of this report.


Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants


Heng Fu Joe
No. 2966/11/16 (J)
Chartered Accountant

Kuala Lumpur

Date: 23 April 2015

11. ACCOUNTANTS' REPORT (Cont'd)



BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

Company No. 791546 - A

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DOLPHIN SYSTEMS SDN. BHD.**
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the accompanying financial statements of **DOLPHIN SYSTEMS SDN. BHD.**, which comprise the statement of financial position as at 31 December 2011 of the Company, and the statement of comprehensive income, statement of changes in equity and statement of cash flows 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 5 to 38.

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 the Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal controls as the directors determine are 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 judgment, 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 791546 - A

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with the Financial Reporting Standards and Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as at 31 December 2011 and of its financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

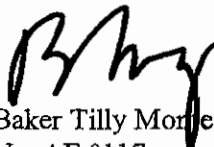
In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company has been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

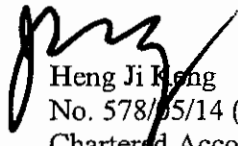
Other Matters

As stated in Note 2 to the financial statements, the Company adopted the Financial Reporting Standards on 1 January 2011. These standards were applied retrospectively by the directors to the comparative information in these financial statements, including the statements of financial position as at 31 December 2010 and 1 January 2010, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the financial year ended 31 December 2010 and its related disclosures. We were not engaged to report on the restated comparative information. Our responsibilities as part of our audit of the financial statements of the Company for the financial year ended 31 December 2011 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 January 2011 do not contain misstatements that materially affect the financial position as at 31 December 2011 and the financial performance and cash flows for the financial year then ended.

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 contents of this report.

The audited financial statements of the Company for the financial year ended 31 December 2010 were audited by another firm of chartered accountants whose reports dated 8 March 2011 with unmodified opinions on those financial statements.


Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants


Heng Ji Keng
No. 578/5/14 (J/PH)
Chartered Accountant

Kuala Lumpur

Date: 26 February 2013

11. ACCOUNTANTS' REPORT (Cont'd)



BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

Company No. 791546 - A

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DOLPHIN SYSTEMS SDN. BHD.**
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN SYSTEMS SDN. BHD.**, which comprise the statement of financial position as at 31 December 2012 of the Company, and the statement of comprehensive income, statement of changes in equity and statement of cash flows 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 5 to 34.

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 the 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 controls as the directors determine are 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 judgment, 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)

Company No. 791546 - A

Opinion


In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2012 and of its financial performance and cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

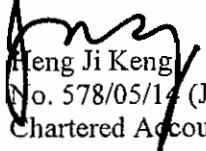
Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company has been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

Other Matters

- 1) As stated in Note 2 to the financial statements, the Company adopted the Malaysian Financial Reporting Standards on 1 January 2012 with a transition date of 1 January 2011. These standards were applied retrospectively by the directors to the comparative information in these financial statements, including the statements of financial position as at 31 December 2011 and 1 January 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year ended 31 December 2011 and its related disclosures. We were not engaged to report on the comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Company for the financial year ended 31 December 2012 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 January 2012 do not contain misstatements that materially affect the financial position as at 31 December 2012 and the financial performance and cash flows for the financial year then ended.
- 2) This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.


Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants


Heng Ji Keng
No. 578/05/14 (J/PH)
Chartered Accountant

Kuala Lumpur

Date: 10 JUN 2013

11. ACCOUNTANTS' REPORT (Cont'd)

Company No. 791546 - A



Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DOLPHIN SYSTEMS SDN. BHD.**
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN SYSTEMS SDN. BHD.**, which comprise the statement of financial position as at 31 December 2013 of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows 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 5 to 34.

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 the 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 controls as the directors determine are 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.

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

11. ACCOUNTANTS' REPORT (Cont'd)



Company No. 791546 - A

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2013 and of its financial performance and cash flows for the financial year then ended in accordance with the 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 that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company has been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

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 contents of this report.

A handwritten signature in black ink, appearing to read "Baker Tilly Monteiro Heng".

Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants

A handwritten signature in black ink, appearing to read "Heng Fk Joe".

Heng Fk Joe
No. 2966/11/14 (J)
Chartered Accountant

Kuala Lumpur

Date: 13 JUN 2014

11. ACCOUNTANTS' REPORT (Cont'd)

Company No. 791546 - A



Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DOLPHIN SYSTEMS SDN. BHD.**
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN SYSTEMS SDN. BHD.**, which comprise the statement of financial position as at 31 December 2014 of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows 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 5 to 40.

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 the 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 controls as the directors determine are 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)

Company No. 791546 - A



Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2014 and of its financial performance and cash flows for the financial year then ended in accordance with the 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 that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

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 contents of this report.

A handwritten signature in black ink, appearing to read "Baker Tilly Monteiro Heng".

Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants

A handwritten signature in black ink, appearing to read "Heng Fu Joe".

Heng Fu Joe
No. 2966/11/16 (J)
Chartered Accountant

Kuala Lumpur

Date: 23 April 2015

11. ACCOUNTANTS' REPORT (Cont'd)

Company No: 872317 - V

DOLPHIN UNIVERSE SDN. BHD.
(Incorporated in Malaysia)

INDEPENDENT AUDITORS' REPORT TO
THE MEMBERS OF DOLPHIN UNIVERSE SDN. BHD

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statement of DOLPHIN UNIVERSE SDN. BHD. ,which comprise the balance sheet as at 31 December 2011, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 11.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility to express an opinion on those 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 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 judgment, including the assessment of risks of material misstatement of financial statements, whether due to fraud or error. In making those risk assessment, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

11. ACCOUNTANTS' REPORT (Cont'd)

Company No: 872317 - V

DOLPHIN UNIVERSE SDN. BHD.
(Incorporated in Malaysia)

INDEPENDENT AUDITORS' REPORT TO
THE MEMBERS OF DOLPHIN UNIVERSE SDN. BHD

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 which have been properly drawn up in accordance with Private Entity Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2011 and of its financial performance and cash flow for the year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

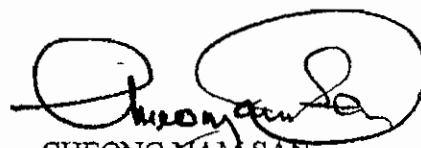
In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

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.

N.S. CHEONG & ASSOCIATES
N. S. CHEONG & ASSOCIATES
CHARTERED ACCOUNTANTS
AF 0798

16 APR 2012
PETALING JAYA


CHEONG NAM SAN
PARTNER
No: 1444/08/12(J/PH)

11. ACCOUNTANTS' REPORT (Cont'd)

Company No: 872317 - V

DOLPHIN UNIVERSE SDN. BHD.
(Incorporated in Malaysia)

INDEPENDENT AUDITORS' REPORT TO
THE MEMBERS OF DOLPHIN UNIVERSE SDN. BHD

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statement of DOLPHIN UNIVERSE SDN. BHD. ,which comprise the balance sheet as at 31 December 2012, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 11.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility to express an opinion on those 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 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 judgment, including the assessment of risks of material misstatement of financial statements, whether due to fraud or error. In making those risk assessment, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

11. ACCOUNTANTS' REPORT (Cont'd)

Company No: 872317 - V

DOLPHIN UNIVERSE SDN. BHD.
(Incorporated in Malaysia)

INDEPENDENT AUDITORS' REPORT TO
THE MEMBERS OF DOLPHIN UNIVERSE SDN. BHD

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 which have been properly drawn up in accordance with Private Entity Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2012 and of its financial performance and cash flow for the year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

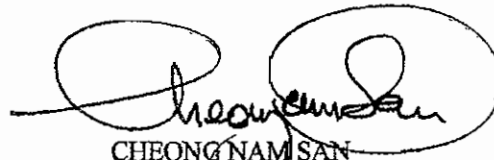
In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

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.


N. S. CHEONG & ASSOCIATES
CHARTERED ACCOUNTANTS
AF 0798

12 JUN 2013
PETALING JAYA


CHEONG NAM SAN
PARTNER
No: 1444/08/14(J/PH)

11. ACCOUNTANTS' REPORT (Cont'd)

Company No. 872317-V



BAKER TILLY

Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DOLPHIN COMPONENTS SDN. BHD.**

(formerly known as Dolphin Universe Sdn. Bhd.)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN COMPONENTS SDN. BHD.** *(formerly known as Dolphin Universe Sdn. Bhd.)*, which comprise the statement of financial position as at 31 December 2013 of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial year ended 31 December 2013, and a summary of significant accounting policies and other explanatory information, as set out on pages 5 to 26.

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 the 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 controls as the directors determine are 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 judgment, 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)*Company No. 872317-V**Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2013 and of its financial performance and cash flows for the financial year ended 31 December 2013 in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 to the financial statements which discloses the premise upon which the Company has prepared its financial statements by applying the going concern assumption, notwithstanding that the Company incurred a net loss of RM3,635 during the financial year ended 31 December 2013, and as of that date, the Company's current liabilities exceeded its current assets by RM11,157 and recorded a capital deficiency of RM11,157, thereby indicating the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

Other Matters

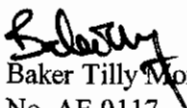
1. As stated in Note 3 to the financial statements, Dolphin Components Sdn. Bhd. (*formerly known as Dolphin Universe Sdn. Bhd.*) adopted the Malaysian Financial Reporting Standards on 1 January 2013 with a transition date of 1 January 2012. These standards were applied retrospectively by the directors to the comparative information in these financial statements, including the statements of financial position as at 31 December 2012 and 1 January 2012, and the statements of profit or loss and other comprehensive income, statement of changes in equity and statements of cash flows for the financial year ended 31 December 2012 and 31 December 2011 and its related disclosures. We were not engaged to report on the restated comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Company for the financial year ended 31 December 2013 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 January 2013 do not contain misstatements that materially affect the financial position as at 31 December 2013 and the financial performance and cash flows for the financial year then ended.
2. The financial statements of the Company for the financial year ended 31 December 2012 were audited by another firm of chartered accountants whose report dated 12 June 2013 with unmodified opinions on those financial statements.


11. ACCOUNTANTS' REPORT (Cont'd)

Company No. 872317-V



3. 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 contents of this report.


Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants


Heng Fu Joe
No. 2966/11/14(J)
Chartered Accountant

Kuala Lumpur

Date: 13 JUN 2014

11. ACCOUNTANTS' REPORT (Cont'd)

Company No. 872317-V



Baker Tilly Monteiro Heng
Chartered Accountants (AF0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Malaysia

T : +603 2297 1000
F : +603 2282 9980

info@bakertillymh.com.my
www.bakertillymh.com.my

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DOLPHIN COMPONENTS SDN. BHD.**

(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **DOLPHIN COMPONENTS SDN. BHD.**, which comprise the statement of financial position as at 31 December 2014 of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial year ended 31 December 2014, and a summary of significant accounting policies and other explanatory information, as set out on pages 6 to 32.

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 the 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 controls as the directors determine are 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 judgment, 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 controls 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 controls. 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.

11. ACCOUNTANTS' REPORT (Cont'd)

Company No. 872317-V



Opinion

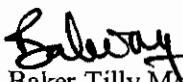
In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2014 and of its financial performance and cash flows for the financial year ended 31 December 2014 in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

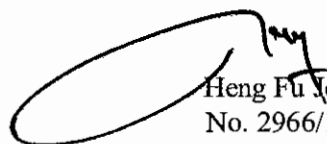
Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

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 contents of this report.


Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants


Heng Fu Joe
No. 2966/11/16(J)
Chartered Accountant

Kuala Lumpur

Date: 23 April 2015

12. DIRECTORS' REPORT



DOLPHIN INTERNATIONAL BERHAD (1001521-X)

No. 17 & 19, Jalan Puteri 5/20, Bandar Puteri, 47100 Puchong, Selangor, Darul Ehsan, Malaysia.

Tel: +(603) 8062 2289

Fax: +(603) 8060 8613

Email: dolphin@dolphineng.com

Website: www.dolphineng.com

Registered Office:
Level 2, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur

06 MAY 2015

The Shareholders of Dolphin International Berhad

Dear Sir/Madam,

On behalf of the Board of Directors of Dolphin International Berhad ("**Dolphin**" or "**Company**"), I report after due enquiry during the period from 31 December 2014, being the date to which the last audited financial statements of the Company and its subsidiaries ("**Group**") have been made up, to the date hereof, being a date not earlier than 14 days before the date of issue of this Prospectus, that:

- (i) the business of the Group has, in the opinion of the Directors, been satisfactorily maintained;
- (ii) in the opinion of the Directors, no circumstances have arisen since the last audited financial statements of the Group which have adversely affected the trading or the value of the assets of the Group;
- (iii) the current assets of the Group appear in the books at values which are believed to be realisable in the ordinary course of business;
- (iv) save as disclosed in this Prospectus, there are no contingent liabilities by reason of any guarantee or indemnity given by the Group;
- (v) since the last audited financial statements of the Group, there has been no default or any known event that could give rise to a default situation, in respect of payments of either interest and/or principal sums in relation to any borrowings in which the Directors are aware of; and
- (vi) save as disclosed in this Prospectus, there have been no material change in the published reserves or any unusual factor affecting the profits of the Group since the last audited financial statements of the Group.

Yours faithfully,
For and on behalf of the Board of Directors of
Dolphin International Berhad



Low Teck Yin
Group Managing Director

13. ADDITIONAL INFORMATION

13.1 SHARE CAPITAL

- (i) No Shares will be allotted or issued on the basis of this Prospectus later than 12 months after the date of this Prospectus.
- (ii) There is no founder, management or deferred share in our Company. As at the date of this Prospectus, there is only 1 class of shares in our Company, namely ordinary shares of RM0.20 each, all of which rank *pari passu* with one another.
- (iii) Save as disclosed in this Prospectus, no shares or debentures of our Company or our subsidiaries has been issued or has been agreed to be issued or is proposed to be issued as fully or partly paid-up, in cash or otherwise, within the 2 years immediately preceding the date of this Prospectus.
- (iv) Our Group does not have any outstanding convertible debt securities, options, warrants or uncalled capital as at the date of this Prospectus.
- (v) Save for the IPO Shares reserved for application by our Eligible Directors and employees and persons who have contributed to the success of our Group as disclosed in Section 3.3.1, there is currently no other scheme for or involving Directors or employees of our Group.
- (vi) As at the date of this Prospectus, our Group does not have any capital which is under option, or agreed conditionally or unconditionally to be put under option.
- (vii) As at the date of this Prospectus, there is no limitation on the right to own securities, including limitation on the right of non-resident or foreign shareholders to hold or exercise voting rights on the securities imposed by law or by our Memorandum and Articles of Association.

13.2 ARTICLES OF ASSOCIATION

The following provisions are reproduced from our Company's Articles of Association.

Terms defined in our Company's Articles of Association shall have the same meanings when used here unless they are otherwise defined here or unless the context otherwise requires.

(i) Transfer of shares

The provisions of the Articles of Association of the Company in respect of the arrangements for the transfer of shares and restrictions on their free transferability are as follows:

Article 36 – Transfer of securities

Subject to the provisions of the Central Depositories Act, the Rules and these Articles, any Member may transfer all or any of his shares in the manner prescribed under the Rules and approved by the Stock Exchange. The transfer of any listed security or class of listed security of the Company shall be by way of book entry by the Depository in accordance with the Rules and, notwithstanding sections 103 and 104 of the Act, but subject to subsection 107C(2) of the Act and any exemption that may be made from compliance with subsection 107C(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the listed securities.

13. ADDITIONAL INFORMATION (Cont'd)

Article 37 - Transferor's Right

The instrument of transfer of any share shall be executed by or on behalf of the transferor, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Record of Depositors in respect thereof.

Article 38 - Refusal to register transfers

The Depository may refuse to register any transfer of deposited security that does not comply with the Central Depositories Act and the Rules.

Article 39 - Suspension of registers

The registration of transfers may be suspended at such times and for such period as the Directors may from time to time determine not exceeding in the whole thirty (30) days in any year. Subject always to the Listing Requirements of the Stock Exchange, at least ten (10) market days' notice of intention to close the said register shall be given to the Stock Exchange. The said notice shall state the purpose or purposes for which the register is being closed. At least three (3) market days prior notice shall be given to the Depository to prepare the appropriate Record of Depositors provided that where the Record of Depositors is required in respect of corporate actions, prior notice shall be given to the Depository.

Article 40 - Renunciation

Subject to the provisions of these Articles, the Directors may recognise a renunciation of any share by the allottee thereof in favour of some other person.

Article 41 - Non-liability for the Company's Directors and officer in respect of transfer

Neither the Company nor its Directors nor any of its officers shall incur any liability for the act of the Depository in registering or acting upon a transfer of shares apparently made by a Member or any persons entitled to the shares by reason of the death, bankruptcy or insanity of the Members although the same may by reason of any fraud or other cause not known to the Company or its Directors or the Depository or other officers be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument or transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee, of the particulars of the shares transferred, or otherwise in defective manner. And in every such case, the person registered as transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

Article 43 - Transmission of Shares

In the case of the death of a Member, the executors or administrators of the deceased shall be the only persons recognised by the Company as having any title to his interest in the shares. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, subject to the Rules and Article 36 hereof, transfer the share to himself or to some person nominated by him as the transferee.

13. ADDITIONAL INFORMATION (Cont'd)**Article 44 - Share of deceased or bankrupt member**

Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as may from time to time properly be required by the Rules and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Depository shall in either case have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that Member before his death or bankruptcy PROVIDED ALWAYS that where the share is a deposited security, subject to the Rules, a transfer or withdrawal of the share may be carried out by the person becoming so entitled.

Article 45 - Person entitled may receive and give discharge for dividend

A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of it to receive notice of or to attend or vote at meetings of the Company or, save as aforesaid, to exercise any of the rights, or privileges as a member unless and until he shall become a Member in respect of the share. If the person becoming entitled elects to have the shares transferred to him, the aforesaid notice shall be given to the Depository and subject to the Rules, a transfer of the shares may be carried out by the person becoming so entitled.

Article 46 – Transmission of securities from foreign register

(1) Where:-

- (a) the securities of the Company are listed on an Approved Market Place; and
- (b) such company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules in respect of such securities,

such company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the Company in the jurisdiction of the Approved Market Place (hereinafter referred to as "the Foreign Register") to the register of holders maintained by the registrar of the Company in Malaysia (hereinafter referred to as "the Malaysian Register") provided that there shall be no change in the ownership of such securities.

(2) For the avoidance of doubt, no company which fulfills the requirements of subparagraphs 1(a) and (b) above shall allow any transmission of securities from the Malaysian Register into the Foreign Register.

(ii) Remuneration of Directors

The provisions in the Articles of Association of the Company dealing with the remuneration of the Directors are as follows:

Article 91 – Directors' remuneration

Fees of Directors shall from time to time be determined by the Company in general meeting, and such fees shall be divided among the Directors in such proportions and manner as the Directors may determine PROVIDED ALWAYS that: -

13. ADDITIONAL INFORMATION (Cont'd)

- (a) fees payable to Directors who hold no executive office in the Company shall be paid by a fixed sum and not by way of a commission on or percentage of profits or turnover;
- (b) salaries payable to Executive Directors may not include a commission on or percentage of turnover;
- (c) fees payable to Directors (except salaries payable to Executive Director(s) for their services) shall not be increased except pursuant to a resolution passed at a general meeting where notice of the proposed increase has been given in the notice convening the meeting;
- (d) any fee paid to an alternate Director shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter; and
- (e) Executive Director(s) shall, subject to the terms of any agreement entered into in any particular case, receive such remuneration as the Directors may from time to time determine.

Article 96 – Remuneration of Managing Director and Executive Director

The remuneration of the Managing Director and/or Executive Directors may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but such remuneration shall not include a commission on or percentage of turnover.

(iii) Voting and borrowing powers of Directors, including voting powers on proposals, arrangements or contracts in which they are interested

The provisions in the Articles of Association of the Company dealing with voting powers of the Directors in relation to proposals, arrangements or contracts in which they are interested in and their borrowing powers exercisable by them and how such borrowing powers can be varied are as follows:

Article 118 - Borrowing Powers of Directors

Subject to Article 117, the Directors may from time to time at their discretion raise or borrow for the purpose of the Company such sums of money as they think proper and may also raise or secure the payment of such money in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the issue of debentures or debenture stock of the Company, charged upon all or any part of the property of the Company (both present and future) including uncalled capital, or by means of charges, mortgages, bonds and dispositions in security or bonds or cash deposit, with or without power of sale, and upon such other terms and conditions as the Directors shall think fit.

Article 119 - Borrowings for unrelated third parties prohibited

The Directors shall not borrow any money or mortgage or charge any of the Company or its subsidiaries' undertaking, property or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of any unrelated third party.

13. ADDITIONAL INFORMATION (Cont'd)

Article 127**(1) Declaration of Interest and restriction of voting**

A Director who is in any way, whether directly or indirectly interested in a contract or proposed contract or arrangement with the Company, shall declare the nature of his interest in accordance with the provisions of the Act. A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly, a personal interest and if he should do so, his vote should not be counted, but this prohibition shall not apply to:

- (a) any arrangement for giving any Director any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company or any of its subsidiaries; or
- (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of a security.

(2) Director may hold other office under the Company

- (a) A Director may hold any other office or place of profit under the Company (other than the office of Auditors in conjunction with his office of Director) for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and subject to the provisions of the Act, no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested, be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.
- (b) A Director notwithstanding his interest may be counted in the quorum present at any meeting whereat, he or any other Director is to be appointed to hold any office or place of profit in the Company or whereat the Directors resolve to exercise any of the rights of the Company, (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit in any other company or whereat the terms of any such appointment or arrangements as hereinbefore mentioned are considered, as he may vote on any such matter other than in respect of the appointment of or arrangements with himself or the fixing of the terms thereof.
- (c) Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as Auditor of the Company.

13. ADDITIONAL INFORMATION (Cont'd)

(3) General notice of interest in corporation by Company

A general notice given to the board of directors that a Director, alternate Director or Managing Director is a member of or interested in any specified firm or corporation with whom any contract is proposed to be entered into in relation to the affairs of the Company and is to be regarded as interested in all transactions with such firm or corporation shall be sufficient disclosure under this clause as regards such Director and the said transaction and after such general notice it shall not be necessary for such Director to give any special notice relating to any particular transaction with such firm or corporation.

(4) Director's interest in corporation promoted by Company

A Director of the Company may be or become a Director or other officer of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of or from his interest in such corporation unless the Company otherwise directs at the time of his appointment. The Directors may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as Directors of such other corporation in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of the Directors or other officers of such corporation), and any Director may vote in favour of the exercise of such voting rights in manner aforesaid, notwithstanding that he may be, or is about to be appointed a Director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in the manner aforesaid.

(iv) Changes in capital and variations of class rights

The provisions in the Articles of Associations of the Company as to the changes in capital or variation of class rights which are no less stringent than that required by law are as follows:

Article 4 - Issue of Shares

- (1) No shares may be issued by the Directors without the prior approval of the Members in general meeting but subject thereto and to the Act and to these Articles, the Directors may issue shares in the Company at such times as they may think fit and any such shares may be issued either at a premium or at par or (subject to the provisions of the Act) at a discount and with such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Directors may determine and may give by agreement to any person the right or option of requiring at a future date that an allotment shall be made by him of any shares at par or such premium as may be agreed.
- (2) Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject always to the provisions of the Act and Article 52 and the Central Depositories Act and to the provisions of any resolution of the Company, the shares of the Company shall be under the control of the Directors who may allot and issue or otherwise dispose of the same to such persons and on such terms and conditions with such preferred, deferred or other special rights or such restrictions whether in regard to dividend, voting or return of share capital and either at a premium or otherwise and at such time or times as the Directors may think fit.

13. ADDITIONAL INFORMATION (Cont'd)

- (3) Paragraph 1 of this Article shall be subject to the following restrictions, that is to say:-
- (a) No director shall participate in an issue of shares or options to employees of the Company unless the shareholders in general meeting have approved of the specific allotment to be made to such Director and he holds office in the Company in an executive capacity Provided Always that a non-executive Director may participate in an issue of shares or options pursuant to a public offer or public issue.
 - (b) No shares shall be issued at a discount except in compliance with the provisions of Section 59 of the Act; and
 - (c) The rights attaching to shares of a class other than ordinary shares shall be expressed in the resolutions passed creating the same.
- (4) All new issue of shares for which listing is sought shall be made by way of crediting the Securities Accounts of the allottees or entitled persons in the Depository with such securities save and except where the Company is specifically exempted from doing so. The Company shall notify the Depository of the names of the allottees or the entitled persons together with all such particulars as may be required by the Depository to enable it to make the appropriate entries in the Securities Accounts of such allottees or entitled persons.
- (5) Except in the case of an issue of securities on a pro rata basis to shareholders, the Company must ensure that it or any of its subsidiaries shall not issue shares or other convertible securities to a director, major shareholder or chief executive officer of the Company or person connected to any director or major shareholder or chief executive officer (hereinafter referred to as "the interested director", "interested major shareholder", "interested chief executive officer" or "interested person connected with a director or major shareholder or chief executive officer" respectively) unless shareholders in general meeting have approved of the specific allotment to be made to such aforesaid persons and such aforesaid persons have abstained from voting on the relevant resolutions.
- (6) Without limiting the generality of Section 132D of the Act, the Company shall not issue any ordinary shares or other securities with rights of conversion to ordinary shares if the nominal value of those shares or securities, when aggregated with the nominal value of any such shares or securities which the Company has issued during the previous twelve (12) months, exceeds 10% of the nominal value of the issued ordinary shares at the commencement of the said period of twelve (12) months except where the shares or securities are issued with the prior approval of ordinary shareholders of the precise terms and conditions of the issue.

Article 5 - Preference Shares

- (1) The Company shall have power with the sanction of an ordinary resolution to issue preference shares carrying a right to redemption out of profits or liable to be redeemed at the option of the Company or to issue preference shares ranking equally with or in priority to preference shares already issued and the Directors may, subject to the provisions of the Act, redeem such shares on such terms and in such manner and either at par or at a premium as they may think fit.

13. ADDITIONAL INFORMATION (Cont'd)

- (2) Preference shareholders shall have the same rights as ordinary shareholders as regards the receiving of notices, reports and financial statements and the attending of general meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the whole of the Company's property, business or undertaking or where the proposition to be submitted to the meeting directly affects their rights and privileges or when the dividend or part of the dividend on the preference shares is in arrears for more than six (6) months or during the winding up of the Company. On a resolution to be decided on a show of hands, a holder of preference shares who is personally present and entitled to vote shall be entitled to one (1) vote.

Article 6 - Repayment of Preference Capital

Notwithstanding Article 8 hereof, the repayment of preference shares other than redeemable preference shares, or any alteration of preference shareholders rights may only be made pursuant to a special resolution of the preference shareholders concerned PROVIDED ALWAYS that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing, if obtained from the holders of three-fourths (3/4) of the preference shares concerned within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

Article 7 - Share Buyback

Subject to and in accordance with the provisions of the Act and such other relevant laws, regulations and/or guidelines, the Company is allowed and shall have power, to the fullest extent permitted, to purchase any of its own shares and thereafter, the Directors may resolve and shall have the fullest power to deal with such purchased shares in accordance with the provisions of the Act and such other relevant laws, regulations and/or guidelines.

Article 8 - Modification of class rights

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths (3/4) of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two (2) persons at least holding or representing by proxy, one-third (1/3) of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll and that the holders of shares of the class shall, on a poll, have one (1) vote in respect of every shares of the class held by them.

Article 9 - Ranking of class rights

The rights conferred upon the holders of the shares of any class with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or in all respects *pari passu* therewith.

13. ADDITIONAL INFORMATION (Cont'd)

Article 48 - Conversion of shares into stock and reconversion

The Company may by ordinary resolution at a general meeting convert all or any of its paid up shares into stock and may from time to time, in like manner, reconvert any such stock into paid up shares of any denomination.

Article 52 - Power to increase capital

The Company may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, by ordinary resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company by the resolution authorising such increase directs.

Article 53 - Shares to be offered to Members before issue

Subject to any direction to the contrary that may be given by the Company in general meeting, any unissued shares for the time being and any new shares or other convertible securities from time to time to be created, shall before they are issued, be offered to the Members in proportion as nearly as circumstances admit, to the number of existing shares or securities to which they are entitled. Such offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of such time or on the receipt of an intimation from persons to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of the same in such manner as they think most beneficial to the Company. The Directors may in like manner dispose of any such new shares or securities as aforesaid which, by reason of the proportion borne by them to the number of shares or securities held by the persons entitled to such offer as aforesaid, cannot in the opinion of the Directors be conveniently offered in manner herein before provided.

Article 54 - Rights and liabilities of new shares

Except in so far as otherwise provided by the conditions of issue, any capital raised by the creation of new shares shall be considered as part of the original share capital of the Company and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

Article 55 - Alteration of Capital

The Company may from time to time by ordinary resolution:

(a) Power to consolidate shares

consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) Power to sub-divide shares

subdivide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, so however that in subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; or

13. ADDITIONAL INFORMATION (Cont'd)**(c) Power to cancel shares**

cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

Article 56 - Power to reduce capital

The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with and subject to, any authorisation, and consent required by law.

Article 148 - Power to capitalise profits

The Company in general meeting may at any time and from time to time pass a resolution that any sum not required for the payment or provision of any fixed preferential dividend, and (i) being any part of the undivided profits in the hands of the Company or (ii) for the time being standing to the credit of any reserve fund or reserve account of the Company, including premiums received on the issue of any shares or debentures of the Company, and/or accretion to capital accruing on sale or shown by a valuation or revaluation of any property or assets of the Company, be capitalised, and that such sum be appropriated as capital to and amongst the ordinary shareholders in the proportions in which they would have been entitled thereto if the same had been distributed by way of dividend on the ordinary shares and in such manner as the resolution may direct.

Such resolution shall be effective and the Directors shall in accordance with such resolution apply such sum in paying up in full any unissued shares or debentures of the Company on behalf of the ordinary shareholders aforesaid, and appropriate such shares or debentures and distribute the same credited as fully paid up to and amongst such shareholders in the proportions aforesaid in satisfaction of the shares and interests of such shareholders in the said capitalised sum or shall apply such sum or any part thereof on behalf of the shareholders aforesaid in paying up the whole or part of any uncalled balance which shall for the time being be unpaid in respect of any issued ordinary shares held by such shareholders or otherwise deal with such sum as directed by such resolution.

Where any difficulty arises in respect of any such distribution, the Directors may settle the same as they think expedient, and in particular they may issue fractional certificates, fix the value for distribution of any fully paid up shares or debentures, make cash payments to any shareholders on the basis of the value so fixed in order to adjust the rights, and vest any such shares or debentures in trustees upon such trusts for the persons entitled to share in the appropriation and distribution as may seem just and expedient to the Directors.

When deemed necessary, a proper contract for the allotment and acceptance of any shares to be distributed as aforesaid shall be delivered to the Registrar of Companies for registration in accordance with the Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled to share in the appropriation and distribution and such appointment shall be effective.

13.3 DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- (i) The names, addresses and occupations of our Directors are set out in Section 1 of this Prospectus.

13. ADDITIONAL INFORMATION (Cont'd)

- (ii) A Director is not required to hold any qualification share in our Company unless otherwise so fixed by our Company in general meeting.
- (iii) Save as disclosed in Section 9.4 of this Prospectus, none of our Directors or substantial shareholders have any interest, direct or indirect in any business carrying on similar trade as the core business of our Group.
- (iv) None of our Directors have any existing or proposed service contract with our Group.
- (v) Our Directors' interests, direct and indirect, in the shares of our Company before and after the IPO is set out in Section 7.2.1 of this Prospectus.
- (vi) Our substantial shareholders' interests, direct and indirect, in the shares of our Company before and after the IPO is set out in Section 7.1.1 of this Prospectus.
- (vii) Save as disclosed in Section 9.5 of this Prospectus, none of our Directors or substantial shareholders of have any interest, direct or indirect, in the promotion of or in any material assets which have been acquired or proposed to be acquired or assets disposed of or proposed to be disposed of by or leased to or proposed to be leased to our Group, within the 2 years preceding the date of this Prospectus.
- (viii) Save and except as disclosed in Section 7.7 of this Prospectus, the audited financial statements and management accounts, no amount or benefit has been paid or intended to be paid or given to any Promoter, Director or substantial shareholder within the 2 years preceding the date of this Prospectus.
- (ix) Save as disclosed in Section 9.1 of this Prospectus, none of our Directors or substantial shareholders have any interest in any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to the business of our Group, taken as a whole.

13.4 MATERIAL LITIGATION

As at the LPD, our Group is not engaged in any material litigation and arbitration, either as plaintiff or defendant, which has a material effect on the financial position of our Group and our Directors have no knowledge of any proceedings pending or threatened against our Group or of any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of our Group.

13.5 MATERIAL CONTRACTS

Save as disclosed below, there are no contracts which are material (not being contracts entered into in the ordinary course of business) which have been entered into by our Group within 2 years immediately preceding the date of this Prospectus:

- (i) Conditional share sale agreement between Dolphin and Low Teck Yin, Hoh Yeong Cherng, Lim Kwee Gee, Loh Peng Chai, Lee Ah Chuan, Chong Han Fung, Albert Chan Kin Soong and Pah Wee Kiat (collectively known as the "**Dolphin Applications Vendors**") dated 30 May 2014 wherein the Dolphin Applications Vendors sold and Dolphin acquired 2,666,666 ordinary shares of RM1.00 each in Dolphin Applications ("**Dolphin Applications Sale Shares**") and as consideration for the acquisition of the Dolphin Applications Sale Shares issued 140,500,000 new Shares to the Dolphin Applications Vendors;

13. ADDITIONAL INFORMATION (Cont'd)

- (ii) Conditional share sale agreement between Dolphin and Low Teck Yin, Hoh Yeong Cherng, Lim Kwee Gee, Loh Peng Chai, Lee Ah Chuan, Chong Han Fung, Albert Chan Kin Soong and Pah Wee Kiat (collectively known as the "**Dolphin Engineering Vendors**") dated 30 May 2014 wherein the Dolphin Engineering Vendors sold and Dolphin acquired 2,000,000 ordinary shares of RM1.00 each in Dolphin Engineering ("**Dolphin Engineering Sale Shares**") and as consideration for the acquisition of the Dolphin Engineering Sale Shares issued 25,500,000 new Shares to the Dolphin Engineering Vendors;
- (iii) Conditional share sale agreement between Dolphin and Low Teck Yin and Hoh Yeong Cherng (collectively known as the "**Dolphin Systems Vendors**") dated 30 May 2014 wherein the Dolphin Systems Vendors sold and Dolphin acquired 500,000 ordinary shares of RM1.00 each in Dolphin Systems for a cash consideration of RM65,000;
- (iv) Conditional share sale agreement between Dolphin and Low Teck Yin and Hoh Yeong Cherng (collectively known as the "**Dolphin Components Vendors**") dated 30 May 2014 wherein the Dolphin Components Vendors sold and Dolphin acquired 75,000 ordinary shares of RM1.00 each in Dolphin Components for a cash consideration of RM65,000;
- (v) Joint Venture and Shareholders Agreement dated 16 January 2015 entered into between Dolphin Applications, Felix Jiady Budiarto, Oei Yohannes Alexander, Brian Lim Eu Kheng and Stephanus Hanan to give effect to the parties intentions and to regulate their relationship inter se and in the conduct of the business and affairs of PT Emas Hijau, of which Dolphin Applications has an equity stake of 30% in PT Emas Hijau which amounts to an investment cost of RM0.22 million; and
- (vi) Underwriting Agreement dated 23 April 2015 entered into between our Company and the Underwriter for the underwriting of 23,250,000 IPO Shares and upon the terms and conditions contained in the Underwriting Agreement.

13.6 PUBLIC TAKE-OVERS

During the last financial year and the current financial year, there were no:

- (i) public take-over offers by third parties in respect of our Company's shares; and
- (ii) public take-over offers by our Company in respect of other companies' shares.

13.7 GENERAL

- (i) The names of our Group's business and the names of all corporations, which are deemed to be related to our Group by virtue of Section 6 of the Act are set out in Section 6.5 of this Prospectus.
- (ii) The time of opening and closing of the Application is set out in Section 14.1 of this Prospectus.
- (iii) The amount payable in full on application to the Company is RM0.68 per Share.
- (iv) The names and addresses of the Auditors and Reporting Accountants of our Company are set out under Section 1 of this Prospectus.

13. ADDITIONAL INFORMATION (Cont'd)**13.8 CONSENTS**

- (i) The written consents of the Principal Adviser, Underwriter, Placement Agent, Principal Bankers, Issuing House, Company Secretaries, Share Registrar and Solicitors to the inclusion in this Prospectus of their names in the manner and form in which their respective names appear have been given before the issuance of this Prospectus and have not been subsequently withdrawn.
- (ii) The written consent of the Auditors and Reporting Accountants to the inclusion of their name, Accountants' Report, the Reporting Accountants' Report on the Compilation of Proforma Consolidated Financial Information Included in a Prospectus of Dolphin and auditors' reports on the audited financial statements for the respective companies within the Dolphin Group for the respective financial years/periods during the Period under Review, and all reference in the manner and form in which they are contained in this Prospectus have been given before the issuance of this Prospectus and have not been subsequently withdrawn.
- (iii) The written consent of the IMR to the inclusion of their name, the executive summary of its IMR Report and extracts of the said report in the manner and form in which they are contained in this Prospectus have been given before the issuance of this Prospectus and have not been subsequently withdrawn.
- (iv) The written consent of N.S. Cheong & Associates to the inclusion of their name, auditors' reports on the audited financial statements of Dolphin Components for the FYE 2011 and FYE 2012, and all reference in the manner and form in which they are contained in the Accountants' Report and Prospectus have been given before the issuance of this Prospectus and have not been subsequently withdrawn.
- (v) The written consent of Johan Malonda Mustika & Rekan to the inclusion of their name and auditors' report for the audited financial statements of PT Dolphin for the Period under Review, and all reference in the manner and form in which they are contained in the Accountant's Report and Prospectus have been given before the issuance of this Prospectus and have not been subsequently withdrawn.

13.9 RESPONSIBILITY

Our Directors and Promoters have seen and approved this Prospectus and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Prospectus false or misleading.

HLIB, as the Adviser, Underwriter and Placement Agent acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes full and true disclosure of all material facts concerning the Public Issue.

13.10 DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of our Company, during normal business hours for a period of 12 months from the date of this Prospectus:

- (a) Memorandum and Articles of Association of our Company;
- (b) The executive summary of the IMR Report on the palm oil industry and palm oil milling machineries sector in Malaysia and Indonesia as included in Section 5 of this Prospectus;

13. ADDITIONAL INFORMATION (Cont'd)

- (c) The Reporting Accountants' Report on the Compilation of Proforma Consolidated Financial Information Included in a Prospectus as included herein in Section 10.9 of this Prospectus;
- (d) The Accountants' Report and Directors Report as included in Sections 11 and 12 respectively in this Prospectus
- (e) The material contracts referred to in Section 13.5 of this Prospectus;
- (f) The letters of consent referred to in Section 13.8 of this Prospectus; and
- (g) The audited financial statements of our subsidiaries for the FYE 2011, FYE 2012, FYE 2013 and FYE 2014.

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14. PROCEDURE FOR APPLICATION AND ACCEPTANCE

14.1 OPENING AND CLOSING OF APPLICATION

The Application for the IPO Shares will open at 10.00 a.m. on 20 May 2015 and will remain open until 5.00 p.m. on 28 May 2015 or for such further period or periods as our Directors together with the Underwriter in their absolute discretion may decide. **Late Application(s) will not be accepted.**

We will notify all parties via an advertisement in a widely circulated English and Bahasa Malaysia newspaper in Malaysia in the event there is an extension of time on the closing date of the applications.

14.2 METHODS OF APPLICATION

Application for the IPO Shares may be made using any of the following ways:

- (i) Application Form; or
- (ii) Electronic Share Application; or
- (iii) Internet Share Application.

14.3 GENERAL CONDITIONS FOR APPLICATIONS

(i) Application by the Malaysian Public

Applications for the 15,000,000 IPO Shares made available for application by the Malaysian Public must be made on the White Application Forms provided or by way of Electronic Share Application or by way of Internet Share Application, of which at least 50% is to be set aside strictly for Bumiputera investors. The amount payable in full on application is RM0.68 per Share.

However, a corporation or institution cannot apply for the IPO Shares by way of Electronic Share Application or by way of Internet Share Application.

(ii) Application by Eligible Persons

Applications for the 8,250,000 IPO Shares made available for application by the Eligible Persons must be made on the Pink Application Forms and not on any other Application Forms or by way of Electronic Share Application or by way of Internet Share Application. The amount payable in full on application is RM0.68 per Share.

(iii) Applications by way of private placement

Of the 22,750,000 IPO Shares allocated to be applied for by way of private placement, Bumiputera investors approved by the MITI, being allocated the 20,250,000 IPO Shares by way of private placement and selected eligible investors being allocated 2,500,000 IPO Shares by way of private placement will be contacted directly by the Placement Agent and are to follow the instruction as given by the Placement Agent.

The following relevant application forms issued with the notes and instructions printed therein are enclosed with this Prospectus and are deemed to form part thereof:

- (i) **White** Application Forms for the application by the Malaysian Public; and
- (ii) **Pink** Application Forms for the application by the Eligible Persons.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

The submission of an Application Form does not necessarily mean that the application will be successful.

A person who submits multiple applications using the names of others, with or without their consent, commits an offence under Section 179 of the CMSA and if convicted, may be punished with a minimum fine of RM1,000,000 and a jail term of up to 10 years under Section 182 of the CMSA. Only one Application from each applicant will be considered and applications must be for 100 ordinary shares or multiples of 100 ordinary shares. **Multiple Applications will not be accepted**, and applications appearing to be, or suspected of being multiple applications may be rejected at the discretion of our Directors. The amount payable in full on application is RM0.68 per Share. Persons submitting applications by way of Application Forms may not submit applications by way of Electronic Share Application or by way of Internet Share Application and vice versa.

Persons submitting Applications by way of Application Form or by way of Electronic Share Application or Internet Share Application **MUST HAVE A CDS ACCOUNT**.

The Applications shall be made in relation to and subject to the terms of this Prospectus and the Memorandum and Articles of Association of our Company.

All applicants must give their:

- (i) **exact full name (as per the National Registration Identity Card or “Resit Pengenalan Sementara (KPPK 09)”) in the case of individuals, or as per the certificate of incorporation in the case of corporate and institutional applicants; and**
- (ii) **CDS account number as per Bursa Depository records.**

Applications by individuals must be accompanied by a legible photocopy of their National Registration Identity Card or “Resit Pengenalan Sementara (KPPK 09)” issued under the National Registration Act 1959, or Authority Card issued under the written laws of Malaysia in the case of armed forces and police personnel.

Applications by corporations and institutions must be accompanied by a legible photocopy of their certificate of incorporation or equivalent document as proof of their constitution.

No acknowledgement of receipt of Applications or Application monies will be made by us, the Placement Agent or MIH.

14.4 APPLICATIONS USING APPLICATION FORMS

14.4.1 Types of Application Forms

White Application Forms together with copies of this Prospectus may be obtained, subject to availability, from HLIB, member companies of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and MIH.

Pink Application Forms together with copies of this Prospectus will be sent out to the Eligible Persons.

14.4.2 Terms and conditions for Applications using White Application Forms

Applications by way of White Application Forms shall be made on, and subject to, the terms and conditions appearing below:

- (i) If you are an individual, you must be a Malaysian citizen with a Malaysian address and you must have a CDS account.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (ii) If you are a corporation/institution incorporated in Malaysia you must have a Malaysian address and must have a CDS account.
- (iii) If you are a superannuation, co-operative, foundation, provident or pension fund, you must be established or operating in Malaysia and have a CDS account.
- (iv) Applications will not be accepted from trustee, any person under 18 years of age as at the Closing Date and Time of our IPO Share application, sole proprietorships, partnership or other incorporated bodies or associations, other than corporations/institutions referred to in Section 14.4.2(ii) and (iii) above or the trustees thereof.
- (v) The respective Application Forms must be completed in accordance with the notes and instructions printed on the reverse side of the Application Forms. In accordance with Section 232 of the CMSA the Application Form together with the notes and instructions printed shall constitute an integral part of this Prospectus. Applications which **do not strictly** conform to the terms of this Prospectus or Application Form or Notes and Instructions printed, or which are illegible, incomplete or inaccurate may not be accepted.
- (vi) Each completed Application Form must be accompanied by remittance in Ringgit Malaysia for the full amount payable either by:
- banker's draft or cashier's order purchased within Malaysia only and drawn on a bank in Kuala Lumpur; or
 - money order or postal order (for applicants from Sabah and Sarawak only); or
 - Guaranteed Giro Order ("GGO") from Bank Simpanan Nasional
- made out in favour of "MIH SHARE ISSUE ACCOUNT NUMBER 566" and crossed "A/C Payee only" and endorsed on the reverse side with the name of the applicant (as exactly stated on the Application Form).**
- Applications accompanied by any mode of payment other than those stated above or with excess or insufficient remittance or inappropriate banker's drafts/cashier's orders/money orders/GGO will not be accepted. Details of the remittance must be filled in the appropriate boxes provided in the Application Forms.**
- (vii) **You must state your CDS account number in the space provided in the Application Form.**
- (viii) **Your name (as exactly stated on the Application Form) must be written on the reverse side of the banker's draft, cashier's order, money order, postal order or GGO from Bank Simpanan Nasional.**
- (ix) Our Directors reserve the right to require any successful applicant to appear in person at the registered office of MIH within 14 days from the date of the notice issued to you to ascertain the regularity or propriety of the Application. Our Directors shall not be responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by the successful applicant for the purpose of complying with this provision.
- (x) MIH, acting on the authority of our Directors reserves the right to reject Applications which do not conform to these instructions or which are illegible, incomplete or inaccurate or which are accompanied by remittances improperly drawn.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (xi) MIH, acting on the authority of our Directors reserves the right not to accept any Application or accept any Application in part only without assigning any reason therefor. Due consideration will be given to the desirability of allotting or allocating the shares to a reasonable number of applicants with a view to establishing an adequate market for our shares.
- (xii) Where an application is not accepted or accepted in part only, the Application monies will be refunded without interest in the following manner:
- (a) The Application monies or the balance of it, as the case may be, will be refunded to you via the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account for purposes of cash dividend/distribution if you have provided such bank account information to Bursa Depository or by registered/ordinary post to your address last maintained with Bursa Depository (for partially successful applications) if you have not provided such bank account information to Bursa Depository within 10 Market Days from the date of the final ballot at your own risk.
- (b) If your Application was rejected because you did not provide a CDS Account number, your Application monies will be sent to the address stated in the NRIC or "Resit Pengenalannya Sementara (KPPK 09)" or any valid temporary identity document issued by the National Registration Department from time to time or the Authority Card in the case of armed forces or police personnel at your own risk.
- (c) A number of Applications will be reserved to replace any successfully balloted Applications which are rejected. The Application monies relating to these applications which are subsequently rejected or unsuccessful or only partly successful will be refunded without interest as per item (a) and (b) above (as the case may be).
- (d) MIH, acting on the authority of our Board, reserves the right to bank in all Application monies from unsuccessful applicants and partially successful applicants. These monies will be refunded by crediting into your bank account for purposes of cash dividend/distribution if you have provided such bank account information to Bursa Depository or by ordinary/registered post to your address last maintained with Bursa Depository or as item (b) above (as the case may be) within 10 Market Days from the date of the final ballot.
- (xiii) You shall ensure that your personal particulars as stated in the Application Form are identical with the records maintained by Bursa Depository. You must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allocation will be sent to your registered or correspondence address last maintained with Bursa Depository.
- (xiv) Each completed Application Form accompanied by the appropriate remittance and legible photocopy of the relevant documents must be despatched by **ORDINARY POST** in the official envelopes provided, to the following address:

Malaysian Issuing House Sdn Bhd (258345-X)
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan

OR

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

P.O. Box 8269
Pejabat Pos Kelana Jaya
46785 Petaling Jaya
Selangor Darul Ehsan

or **DELIVERED BY HAND AND DEPOSITED** in the drop-in boxes provided at the front portion of Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, so as to arrive not later than 5.00 p.m. on 28 May 2015, or such further period or periods as our Directors and Promoters in their absolute discretion may decide.

- (xv) Directors and employees of MIH and their immediate families are strictly prohibited from applying for the IPO Shares.

(xvi) Please direct all enquiries in respect of the White Application Form to MIH.

14.4.3 Terms and conditions for Applications using Pink Application Forms

Applications by way of Pink Application Forms shall be made on, subject to, the terms and conditions set out below:

- (i) Eligible Persons will be provided separately with Pink Application Forms and the letters from us detailing their respective allocations.

The applicants must follow the notes and instructions in the said document and where relevant, in this Prospectus.

- (ii) Eligible Persons are not precluded from making additional applications under the Malaysian Public category using the White Application Forms.

14.5 APPLICATIONS VIA ELECTRONIC SHARE APPLICATION

14.5.1 Steps for Electronic Share Application through a Participating Financial Institution's ATM

- (i) You must have an account with the participating financial institution specified in Section 14.5.2 of this Prospectus ("**Participating Financial Institution**") and an ATM card issued by that Participating Financial Institution to access the account;

- (ii) You **must** have a CDS account; and

- (iii) You may apply for the IPO Shares via the ATM of the Participating Financial Institution by choosing the Electronic Share Application option. Mandatory statements required in the application are set out on Section 14.5.3 of the terms and conditions for Electronic Share Applications. You will have to enter at least the following information through the ATM where the instructions on the ATM screen at which you enter your Electronic Share Application requires you to do so:

- Personal Identification Number ("PIN");
- MIH Share Issue Account Number 566;
- CDS account number;
- Number of IPO Shares applied for and/or the RM amount to be debited from the account; and
- Confirmation of several mandatory statements.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

14.5.2 Participating Financial Institutions

Electronic Share Applications may be made through an ATM of the following Participating Financial Institutions and their branches:

- Affin Bank Berhad;
- AmBank (M) Berhad;
- CIMB Bank Berhad;
- HSBC Bank Malaysia Berhad;
- Malayan Banking Berhad;
- Public Bank Berhad;
- RHB Bank Berhad; or
- Standard Chartered Bank Malaysia Berhad (at selected branches only).

14.5.3 Terms and conditions of Electronic Share Applications

The procedures for Electronic Share Applications at ATMs of Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions ("**Steps**"). For illustration purposes, the procedures for Electronic Share Applications at ATMs are set out in "Steps for Electronic Share Application through a Participating Financial Institution's ATM" in Section 14.5.1 of this Prospectus. The steps set out the actions that you must take at the ATM to complete an Electronic Share Application. Please read carefully the terms of this Prospectus, the steps and the terms and conditions for Electronic Share Applications set out below before making an Electronic Share Application. Any reference to the "applicant"/you in the terms and conditions for Electronic Share Applications and the steps shall mean the applicant who applies for shares through an ATM of any of the Participating Financial Institutions.

Only an applicant who is an individual with a CDS account is eligible to utilise the facility. The CDS account must be in your own name. Invalid, nominee or third party CDS accounts will not be accepted.

You must have an existing account with, and be an ATM cardholder of, one of the Participating Financial Institutions before you can make an Electronic Share Application at an ATM of the Participating Financial Institution. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for shares at an ATM belonging to other Participating Financial Institutions. Upon the completion of your Electronic Share Application transaction, you will receive a computer-generated transaction slip ("**Transaction Record**"), confirming the details of your Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or MIH. **The Transaction Record is for your retention and should not be submitted with any Application Form.**

Upon the closing of offer for the Application for the IPO Shares on 28 May 2015 at 5.00 p.m. ("**Closing Date and Time**"), the Participating Financial Institution shall submit a magnetic tape containing its respective customer's Applications for the IPO Shares to MIH as soon as practicable but not later than 12.00 p.m. of the 2nd business day after the Closing Date and Time.

You will be allowed to make an Electronic Share Application for shares via an ATM that accepts the ATM cards of the Participating Financial Institution with which you have an account and its branches, subject to you making only one application.

You must ensure that you use your own CDS account number when making an Electronic Share Application. If you operate a joint account with any Participating Financial Institution, you must ensure that you enter your own CDS account number when using an ATM card issued to you in your own name. Your application will be rejected if you fail to comply with the conditions.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

The Electronic Share Application shall be made on, and subject to, the above terms and conditions as well as the terms and conditions appearing below:

- (i) The Electronic Share Application shall be made in relation to and subject to the terms of this Prospectus and the Memorandum and Articles of Association of our Company.
- (ii) You are required to confirm the following statements (by depressing predesignated keys (or buttons) on the ATM keyboard) and undertake that the following information given are true and correct:
- You are at least 18 years of age as at the Closing Date and Time of our IPO Share application;
 - You are a Malaysian citizen residing in Malaysia;
 - You have read the relevant Prospectus and understood and agreed with the terms and conditions of the Application;
 - You give consent to the Participating Financial Institution and Bursa Depository to disclose information pertaining to yourself and your account with the Participating Financial Institution and Bursa Depository to MIH and other relevant authorities.

Your Application will not be successfully completed and cannot be recorded, as a completed transaction at the ATM unless you complete all the steps required by the Participating Financial Institutions. By doing so, you shall be treated as signifying your confirmation of each of the above statements as well as giving consent in accordance with the relevant Laws of Malaysia including Section 133 of the Financial Services Act, 2013 and Section 45 of the Securities Industry (Central Depositories) Act, 1991 to the disclosure by the relevant Participating Financial Institution or Bursa Depository, as the case may be, of any of your particulars to MIH, or any relevant regulatory bodies.

- (iii) **You confirm that you are not applying for the IPO Shares as nominee of any other person and that any Electronic Share Application that you make is made by you as beneficial owner. You shall only make one Electronic Share Application and shall not make any other application for the IPO Shares, whether at the ATMs of any Participating Financial Institution, on the prescribed Application Forms or via Internet Share Application.**
- (iv) You must have sufficient funds in your account with the relevant Participating Financial Institutions at the time you make your Electronic Share Application, failing which your Electronic Share Application will not be completed. Any Electronic Share Application, which does not strictly conform, to the instructions set out on the screens of the ATM through which the Electronic Share Application is being made will be rejected.
- (v) You agree and undertake to subscribe for or purchase and to accept the number of shares applied for as stated on the Transaction Record or any lesser number of shares that may be allotted or allocated to you in respect of your Electronic Share Application. In the event that our Directors decide to allot or allocate any lesser number of such shares or not to allot or allocate any shares to you, you agree to accept any such decision as final. If your Electronic Share Application is successful, your confirmation (by your action of pressing the designated key on the ATM) of the number of shares applied for shall signify, and shall be treated as, your acceptance of the number of shares that may be allotted or allocated to you and to be bound by the Memorandum and Articles of Association of our Company.
- (vi) Our Directors reserve the right not to accept any Electronic Share Application or accept any Electronic Share Application in part only without assigning any reason. Due consideration will be given to the desirability of allotting or allocating the IPO Shares to a reasonable number of applicants with a view to establishing an adequate market for the ordinary shares of our Company.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (vii) Where an Electronic Share Application is not successful, the relevant Participating Financial Institution will credit the full amount of the application monies without interest into your account with that Participating Financial Institution within 2 Market Days after the receipt of confirmation from MIH. MIH shall inform the Participating Financial Institutions of the non-successful or partially successful applications within 2 Market Days after the balloting date. You may check your account on the 5th Market Day from the balloting day.

Where an Electronic Share Application is accepted in part only, the relevant Participating Financial Institution will credit the balance of the application monies without interest into your account with the Participating Financial Institution within 2 Market Days after the receipt of confirmation from MIH. A number of applications will, however, be held in reserve to replace any successfully balloted applications, which are subsequently rejected. For such applications, which are subsequently rejected, the application monies without interest will be refunded to you by MIH by crediting into your account with the Participating Financial Institution within 10 Market Days from the date of the final ballot, at your own risk.

For applications that are held in reserve and are subsequently unsuccessful (or only partly successful), the Participating Financial Institutions will credit the application monies (or any part of the application monies but without interest or any share of revenue or other benefit arising from the application monies) into your account within 2 Market Days after receipt of written confirmation from MIH.

Should you encounter any problems in your Applications, you may refer to the Participating Financial Institutions.

- (viii) You request and authorise us to credit the IPO Shares allotted or allocated to you into your CDS account and to issue certificate(s) representing such Shares allotted in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.
- (ix) You acknowledge that your Electronic Share Application is subject to the risks of electrical, electronic, technical and computer-related faults and breakdowns, fires and other events beyond the control of our Company, MIH or the Participating Financial Institution, and irrevocably agree that if:
- (i) our Company or MIH does not receive your Electronic Share Application; or
 - (ii) data relating to your Electronic Share Application is wholly or partially lost, corrupted or not otherwise accessible, or not transmitted or communicated to our Company or MIH,

you shall be deemed not to have made an Electronic Share Application and you shall not claim against our Company, MIH, the Participating Financial Institution or Bursa Depository for the IPO Shares applied for or for any compensation, loss or damage.

- (x) Your particulars in the records of the relevant Participating Financial Institution at the time you make your Electronic Share Application shall be deemed to be true and correct and our Company, MIH and relevant Participating Financial Institution shall be entitled to rely on its accuracy.
- (xi) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institutions are correct and identical. You must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allocation will be sent to your registered address last maintained with Bursa Depository.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (xii) By making and completing an Electronic Share Application, you agree that:
- (a) in consideration of our Company agreeing to allow and accept the making of any Application for shares via the Electronic Share Application facility established by the Participating Financial Institution at their respective ATMs, your Electronic Share Application is irrevocable;
 - (b) our Company, the Participating Financial Institutions, Bursa Depository and MIH shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Share Application to MIH due to a breakdown or failure of transmission or communication facilities or to any cause beyond their control;
 - (c) notwithstanding the receipt of any payment by or on behalf of our Company, the acceptance of the offer made by you to subscribe for and purchase the IPO Shares for which your Electronic Share Application has been successfully completed shall be constituted by the issue of notices of successful allocation for prescribed securities, in respect of the said shares;
 - (d) you irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renounee any instrument of transfer and/or other documents required for the issue or transfer of the shares allocated to you; and
 - (e) our Company agrees that in relation to any legal action or proceedings arising out of or in relation with the contract between the parties and/or the Electronic Share Scheme and/or any terms, all rights, obligations and liabilities shall be construed and determined in accordance with the Laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that the Company irrevocably submits to the jurisdiction of the Courts of Malaysia.
- (xiii) Our Directors reserve the right to require any successful applicant to appear in person at the registered office of MIH within 14 days from the date of the notice issued to you to ascertain the regularity or propriety of the Application. Our Directors shall not be responsible for any loss or non-receipt of the said notice nor shall they be accountable for any expenses incurred or to be incurred by the successful applicant for the purpose of complying with this provision.
- (xiv) Our Directors reserve the right to reject applications, which do not conform to these instructions.
- (xv) The following processing fee per Electronic Share Application will be charged by the respective Participating Financial Institutions:
- Affin Bank Berhad – No fee will be charged for application by their account holders;
 - AmBank (M) Berhad – RM1.00;
 - CIMB Bank Berhad – RM2.50;
 - HSBC Bank Malaysia Berhad - RM2.50;
 - Malayan Banking Berhad - RM1.00;
 - Public Bank Berhad – RM2.00;
 - RHB Bank Berhad – RM2.50; or
 - Standard Chartered Bank Malaysia Berhad (at selected branches only) – RM2.50.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

14.6 APPLICATIONS VIA INTERNET SHARE APPLICATION**14.6.1 Steps for Internet Share Application through an Internet Participating Financial Institution**

The exact steps for Internet Share Application for IPO Shares are as set out on the Internet financial services websites of the Internet Participating Financial Institutions.

For illustration purposes only, we have set out below the possible steps of an application for IPO Shares using Internet Share Application.

Please note that the actual steps for Internet Share Applications contained in the Internet financial services websites of the Internet Participating Financial Institutions may differ from the steps outline below.

- (i) Connect to the Internet financial services website of the Internet Participating Financial Institution with which you have an account.
- (ii) Log in to the Internet financial services facility by entering your user identification and PIN/password.
- (iii) Navigate to the section of the website on applications in respect of initial public offerings.
- (iv) Select the counter in respect of IPO Shares to launch the Electronic Prospectus and the terms and conditions of the Internet Share Application.
- (v) Select the designated hyperlink on the screen to accept the abovementioned terms and conditions, having read and understood such terms and conditions.
- (vi) At the next screen, complete the Online Application form.
- (vii) Check that the information contained in the Online Application Form such as the share counter, Identity Card number, CDS account number, number of IPO Shares applied for and the account number to debit are correct, and select the designated hyperlink on the screen to confirm and submit the Online Application Form.
- (viii) After selecting the designated hyperlink on the screen, you will confirm and undertake that the following mandatory statements are true and correct;
 - (a) You are at least 18 years of age as at the Closing Date and Time of our IPO Share application.
 - (b) You are a Malaysian citizen residing in Malaysia.
 - (c) You have, prior to making the Internet Share Application, received and/or have had access to a printed/electronic copy of this Prospectus, the contents of which you have read and understood.
 - (d) You agree to all the terms and conditions of the Internet Share Application as set out in this Prospectus and have carefully considered the risk factors set out in this Prospectus, in addition to all other information contained in this Prospectus before making the Internet Share Application for IPO Shares.
 - (e) The Internet Share Application is the only application that you are submitting for IPO Shares.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

- (f) You authorise the Internet Participating Financial Institution or the Authorised Financial Institution to deduct the full amount payable for IPO Shares from your account with the Internet Participating Financial Institution or the Authorised Financial Institution.
- (g) You give your express consent in accordance with the relevant Laws of Malaysia (including but not limited to Section 133 of the Financial Services Act, 2013 and Section 45 of the Securities Industry (Central Depositories) Act, 1991) to the disclosure by the Internet Participating Financial Institution, the Authorised Financial Institution and/or Bursa Depository, as the case may be, of information pertaining to you, the Internet Share Application made by you or your account with the Internet Participating Financial Institution, to MIH and the Authorised Financial Institution, the SC and any other relevant authority.
- (h) You are not applying for IPO Shares as a nominee of any other persons and the application is made in your own name as a beneficial owner and subject to the risks referred to in this Prospectus.
- (i) You authorise the Internet Participating Financial Institution to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, us, Bursa Securities or other relevant parties in connection with IPO Shares, all information relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer are, in the reasonable opinion of the Internet Participating Financial Institutions, necessary for the provision of the Internet Share Application services or if such disclosure is requested or required in connection with IPO Shares. Further, the Internet Participating Financial Institutions will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institutions in connection with the use of the Internet Share Application services.
- (ix) Upon submission of the Online Application Form, you will be linked to the website of the Authorised Financial Institution to effect the online payment of your application of IPO Shares.
- (x) As soon as the transaction is completed, a message from the Authorised Financial Institution pertaining to the payment status will appear on the screen on the website through which the online payment for the application of our IPO Shares is being made.
- (xi) Subsequent to the above, the Internet Participating Financial Institutions shall confirm that the Internet Share Application has been completed, via the Confirmation Screen on its website.
- (xii) You are advised to print out the Confirmation Screen for reference and retention.

14.6.2 Terms and conditions of Internet Share Application

Your application for IPO Shares may be made through the Internet financial services websites of the Internet Participating Financial Institutions.

Applicants are advised not to apply for IPO Shares through any website other than the Internet financial services website of the Internet Participating Financial Institutions.

Internet Share Applications may be made through the Internet financial services websites of the following Internet Participating Financial Institutions:

- Affin Bank Berhad at www.affinOnline.com (via hyperlink to Bursa Securities' website at www.bursamalaysia.com); or

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- Affin Hwang Investment Bank Berhad at *trade.affinhwang.com* (via hyperlink to Bursa Securities' website at *www.bursamalaysia.com*); or
- CIMB Investment Bank Berhad at *www.eipocimb.com* (via hyperlink to Bursa Securities' website at *www.bursamalaysia.com*); or
- CIMB Bank Berhad at *www.cimbclicks.com.my* (via hyperlink to Bursa Securities' website at *www.bursamalaysia.com*); or
- Malayan Banking Berhad at *www.maybank2u.com.my* (via hyperlink to Bursa Securities' website at *www.bursamalaysia.com*); or
- Public Bank Berhad at *www.pbebank.com* (via hyperlink to Bursa Securities' website at *www.bursamalaysia.com*), or
- RHB Bank Berhad at *www.rhb.com.my* (via hyperlink to Bursa Securities' website at *www.bursamalaysia.com*).

Please read the terms of this Prospectus, terms and conditions for Internet Share Application and the procedures set out in the Internet Financial Services website of the Internet Participating Financial Institutions, before you make an Internet Share Application.

The exact terms and conditions and its sequence for the Internet Share Applications in respect of IPO Shares are as set out on the Internet financial services websites of the Internet Participating Financial Institutions.

Please note that the actual terms and conditions outlined below supplement the additional terms and conditions for Internet Share Application contained in the Internet financial services websites of the Internet Participating Financial Institutions.

An Internet Share Application shall be made on and shall be subject to the terms and conditions set out below:

- (i) In order to make an Internet Share Application, you must:
 - (a) be an individual with a CDS account and in the case of a joint account, an individual CDS account registered in your name which is to be used for the purpose of the application if you are making the application instead of a CDS account registered in the joint account holder's name;
 - (b) have an existing account with access to Internet financial services facilities with an Internet Participating Financial Institution. You must have your user identification and PIN/password ready for the relevant Internet financial services facilities; and
 - (c) be a Malaysian citizen and have a Malaysian address.

You are advised to note that the User Identification and PIN/password issued by one of the Internet Participating Financial Institutions cannot be used to apply for IPO Shares at Internet financial service websites of other Internet Participating Financial Institutions.

- (ii) An Internet Share Application shall be made on and shall be subject to the terms and conditions of this Prospectus and Memorandum and Articles of Association of our Company.
- (iii) Your application will not be successfully completed and cannot be recorded as a completed application unless you have completed all relevant application steps and procedures for the Internet Share Application which would result in the Internet financial services website displaying the Confirmation Screen.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

For the purpose of this section of the Prospectus, "Confirmation Screen" shall mean the screen which appears or is displayed on the Internet financial services website, which confirms that the Internet Share Application has been completed and states the details of your Internet Share Application, including the number of IPO Shares applied for, and which can be printed out by you for your records.

Upon the display of the Confirmation Screen, you shall be deemed to have confirmed the truth of the statements set out in Section 14.6.1 (viii) above.

- (iv) You must have sufficient funds in your account with the Internet Participating Financial Institution or the Authorised Financial Institution at the time of making the Internet Share Application, to cover and pay for IPO Shares and the related processing fees, charges and expenses, if any, to be incurred, failing which the Internet Share Application will not be deemed complete, notwithstanding the display of the Confirmation Screen. Any Internet Share Application which does not strictly conform to the instructions set out in this Prospectus or any instructions displayed on the screens of the Internet financial services website through which the Internet Share Application is made, shall be rejected.
- (v) You irrevocably agree and undertake to subscribe for and to accept the number of IPO Shares applied for as stated on the Confirmation Screen or any lesser number of such IPO Shares that may be allotted or allocated to you. In the event that we decide to allot or allocate any lesser amount of IPO Shares or not to allot or allocate any IPO Shares to you, you agree to accept our decision as final.

In the course of completing the Internet Share Application on the website of the Internet Participating Financial Institution, your confirmation on the number of IPO Shares applied for (by way of your action of clicking the designated hyperlink on the relevant screen of the website) shall be deemed to signify and shall be treated as:

- (a) your acceptance of the number of IPO Shares that may be allotted or allocated to you in the event that your Internet Share Application is successful or successful in part, as the case may be; and
 - (b) your agreement to be bound by the Memorandum and Articles of Association of our Company.
- (vi) You are fully aware that multiple or suspected multiple Internet Share Applications for our Shares will be rejected. MIH, on the authority of our Directors, reserves the right to reject or accept any Internet Share Application in whole or in part without assigning any reason. Due consideration will be given to the desirability of allotting or allocating IPO Shares to a reasonable number of applicants with a view to establishing an adequate market for our Shares.
 - (vii) If your Internet Share Application is unsuccessful or partially successful, MIH shall inform the relevant Internet Participating Financial Institutions of the unsuccessful or partially successful Internet Share Applications within 2 Market Days after the balloting date. The Internet Participating Financial Institution will credit or arrange with the Authorised Financial Institution to credit the full amount of the application monies or the balance of it (as the case may be) in RM (without interest or any share of revenue or other benefit arising from the application monies) into your account with the Internet Participating Financial Institution or the Authorised Financial Institution within 2 Market Days after receipt of written confirmation from MIH.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

A number of applications will be reserved to replace any successfully balloted applications that are subsequently rejected. The application monies relating to this applications which are subsequently rejected, will be refunded (without interest or any share of revenue or other benefit arising from the application monies) by MIH by crediting into your account with the Internet Participating Financial Institution within 10 Market Days from the date of the final ballot, at your own risk.

For applications that are held in reserve and are subsequently unsuccessful (or only partly successful), the Internet Participating Financial Institutions will credit the application monies (or any part of the application monies but without interest or any share of revenue or other benefit arising from the application monies) into your account within 2 Market Days after receipt of written confirmation from MIH.

Except where MIH is required to refund application monies, it is the sole responsibility of the Internet Participating Financial Institutions to ensure the timely refund of application monies from unsuccessful or partially successful Internet Share Applications. Therefore, you are strongly advised to consult with the Internet Participating Financial Institutions through which your application was made in respect of the mode or procedure of enquiring on the status of your Internet Share Application in order to determine the status or exact number of IPO Shares allotted, if any, before trading of our Shares on the Bursa Securities.

- (viii) Internet Share Applications will be closed at 5.00 p.m. on 28 May 2015 or such other date(s) as our Directors and the Underwriter may in their absolute discretion mutually decide. An Internet Share Application is deemed to be received only upon its completion that is when the Confirmation Screen is displayed on the Internet financial services website. You are advised to print out and retain a copy of the Confirmation Screen for record purposes. Late Internet Share Applications will not be accepted.
- (ix) You irrevocably agree and acknowledge that the Internet Share Application is subject to the risk of electrical, electronic, technical, transmission and communication and computer related faults and breakdowns, fires and other events which are not in our control, or the control of MIH, the Internet Participating Financial Institutions and the Authorised Financial Institutions. If we, MIH, the Internet Participating Financial Institutions and/or the Authorised Financial Institutions do not receive your Internet Share Application and/or the payment, or if any data relating to the Internet Share Application or the tape or any other devices containing such data is wholly or partially lost, corrupted, destroyed or otherwise not accessible for any reason, you shall be deemed not to have made an Internet Share Application and you shall have no claim whatsoever against us, MIH or the Internet Participating Financial Institutions and the Authorised Financial Institutions in relation to IPO Shares applied for or for any compensation, loss or damage arising from it.
- (x) All of your particulars in the records of the relevant Internet Participating Financial Institutions at the time of the Internet Share Application shall be deemed to be true and correct, and we, MIH, the Internet Participating Financial Institutions and all other persons who, are entitled or allowed under the law to such information or where you expressly consent to the provision of such information shall be entitled to rely on the accuracy of your particulars in the records.

You shall ensure that your personal particulars as recorded by both Bursa Depository and the Internet Participating Financial Institutions are correct and identical otherwise your Internet Share Application is liable to be rejected. The notification letter on successful allotment will be sent to your address last registered with Bursa Depository. It is your responsibility to notify the Internet Participating Financial Institution and Bursa Depository of any changes in your personal particulars that may occur from time to time.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (xi) By making and completing an Internet Share Application, you are deemed to have, agreed that:
- (a) in consideration of us making available the Internet Share Application facility to you, through the Internet Participating Financial Institutions acting as our agents, the Internet Share Application is irrevocable;
 - (b) you have irrevocably requested and authorised us to register IPO Shares allotted to you for deposit into your CDS account;
 - (c) neither us nor the Internet Participating Financial Institutions, shall be liable for any delay, failure or inaccuracy in the recording, storage or transmission or delivery of data relating to the Internet Share Application to MIH and Bursa Depository due to any breakdown or failure of transmission, delivery or communication facilities or due to any risk referred to in Section 14.6.2 (ix) above or to any cause beyond our/their control;
 - (d) you shall hold the Internet Participating Financial Institutions harmless from any damages, claims or losses whatsoever, as a consequence of or arising from any rejection of your Internet Share Application by us, MIH and/or the Internet Participating Financial Institutions for reasons of multiple applications, suspected multiple applications, inaccurate and/or incomplete details provided by you, or any other cause beyond the control of the Internet Participating Financial Institutions;
 - (e) the acceptance of your offer to subscribe for and the purchase of IPO Shares for which your Internet Share Application has been successfully completed shall be constituted by the issue of a notice of allotment by us or on our behalf for prescribed securities in respect of IPO Shares, notwithstanding the receipt of any payment by us or on our behalf;
 - (f) you are not entitled to exercise any remedy of rescission for misrepresentation at any time after we have accepted your Internet Share Application;
 - (g) in making the Internet Share Application, you have relied solely on the information contained in this Prospectus. We, the Underwriter, the Adviser and any other person involved in our Public Issue shall not be liable for any information not contained in this Prospectus which may have been relied on by you in making the Internet Share Application; and
 - (h) our acceptance of your Internet Share Application and the contract resulting from our Public Issue shall be governed by and construed in accordance with the laws of Malaysia, and you irrevocably submit to the jurisdiction of the courts of Malaysia.
- (xii) The processing fee per Internet Share Application will be charged by the respective financial institutions as follows:
- (a) Affin Bank Berhad (www.affinOnline.com) – No fees will be charged for application by their account holders;
 - (b) Affin Hwang Investment Bank Berhad (trade.affinhwang.com) – No fees will be charged for application by their account holders;
 - (c) CIMB Investment Bank Berhad (www.eipocimb.com) – RM2.00 for payment via CIMB Bank Berhad or via Malayan Banking Berhad;
 - (d) CIMB Bank Berhad (www.cimbclicks.com.my) – RM2.00 for applicants with CDS account held with CIMB Investment Bank Berhad and RM2.50 for applicants with CDS accounts with other ADAs;
 - (e) Malayan Banking Berhad (www.maybank2u.com.my) – RM1.00;

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (f) Public Bank Berhad (www.pbebank.com) – RM2.00; and
- (g) RHB Bank Berhad (www.rhb.com.my) – RM2.50.

14.7 APPLICATIONS AND ACCEPTANCES

Our Directors reserve the right not to accept any Application which does not strictly comply with the instructions or to accept any application in part only without assigning any reason.

The submission of an Application does not necessarily mean that the application will be successful.

All applications must be made for a minimum of 100 ordinary shares or multiples of 100 ordinary shares.

Directors and employees of MIH and their immediate families are strictly prohibited from applying for the IPO Shares.

No application shall be deemed to have been accepted by reason of the remittance having been presented for payment.

In the event of an over-subscription for the IPO Shares set aside for the public, acceptance of applications by the public shall be subject to ballot to be conducted in a manner as approved by our Directors on a fair and equitable basis. Due consideration will be given to the desirability of distributing the IPO Shares to a reasonable number of applicants with a view to broadening the shareholding base and establishing an adequate market in the shares of the Company. Pursuant to the Listing Requirements, our Company needs to have at least 25% of the enlarged issued and paid-up capital of our Company held by a minimum number of 1,000 public shareholders holding not less than 100 shares each. Our Company is expected to achieve this at the point of Listing. However, in the event that the above requirement is not met pursuant to this Public Issue, our Company may not be allowed to proceed with its Listing. In such an event, monies paid in respect of all applications will be returned without interest. The successful applicants will be selected in a manner to be determined by our Directors.

In the event of an under-subscription, subject to clawback and re-allocation as set out in Section 3.3.2 of this Prospectus, all the IPO Shares not applied for by the Malaysian Public and the Eligible Persons as set out in Section 3.3.1(i) and Section 3.3.1(ii) of this Prospectus, respectively, will be made available for subscription by the Underwriter in the proportions specified in the Underwriting Agreement.

14.8 CDS ACCOUNTS

Pursuant to Section 14(1) of the Securities Industry (Central Depositories) Act, 1991, Bursa Securities has prescribed our Company as a Prescribed Security. Therefore, the IPO Shares offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in these shares will be carried out in accordance with the aforesaid Acts and Rules.

Following the above, in accordance with Section 29 of the Securities Industry (Central Depositories) Act, 1991, all dealings in our Company's shares including the IPO Shares will be by book entries through CDS accounts. No share certificates will be issued to successful applicants.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Only an applicant who has a CDS account can make an Application by way of an Application Form. The applicant shall furnish his/her CDS account number in the space provided in the Application Form and he/she shall be deemed to have authorised Bursa Depository to disclose information pertaining to the CDS account to MIH or our Company. An applicant who does not presently have a CDS account should open a CDS Account at an ADA prior to making an Application for our Shares. Failure to comply with these specific instructions as the Application Form requires or inaccuracy in the CDS account number may result in the Application being rejected. If a successful applicant fails to state his/her CDS Account number, MIH under the instruction of our Directors, will reject the application.

In the case of an application by way of Electronic Share Application, only an applicant who has a CDS account can make an Electronic Share Application and the applicant shall furnish his/her CDS account number to the Participating Financial Institution by way of keying in his/her CDS account number if the instructions on the ATM screen at which he/she enters his/her Electronic Share Application requires him/her to do so. Failure to comply with these specific instructions as the Electronic Share Application requires or inaccuracy in the CDS account number may result in the Application being rejected.

In the case of an application by way of Internet Share Application, only an applicant who has a CDS account can make an Internet Share Application. In certain cases, only an applicant who has a CDS account opened with the Internet Participating Financial Institution can make an Internet Share Application. The applicant's CDS account number would automatically appear in the online application form.

Failure to comply with these specific instructions or inaccuracy in the CDS account number arising from use of invalid, third party or nominee accounts, may result in your Application being rejected. If a successful applicant fails to state his/her CDS account number, MIH, acting on our authority, will reject the Application.

Our Directors reserve the right to reject any incomplete and inaccurate application. Applications may also be rejected if the applicants' particulars provided in the Application Forms, or in the case of Electronic Share Application or Internet Share Application the records of the Participating Financial Institutions at the time of making the Electronic Share Application or Internet Share Application, differ from those in Bursa Depository's records such as the identity card number, names and nationalities.

14.9 NOTICE OF ALLOTMENT

Shares allotted to all successful or partially successful applicants will be credited to their respective CDS accounts. Notice of successful allotment will be despatched to the successful or partially successful applicants at their addresses last maintained with Bursa Depository at the applicant's own risk prior to our Listing. For Electronic Share Applications or Internet Share Application, the notice of allotment will be dispatched to the successful or partially successful applicant at his/her address last maintained with Bursa Depository at the applicant's own risk within 5 Market Days after the final ballot of the Application. This is the only acknowledgement of acceptance of the Application.

If the Applicants' address as stated in his/her NRIC, "Resit Pengenalan Sementara (KPPK 09)", any valid temporary identity document issued by the National Registration Department from time to time, or Authority Card in the case of armed forces or police personnel or, in the case of an Electronic Share Application in the records of the Participating Financial Institution or in the case of an Internet Share Application, in the records of the Internet Participating Financial Institution, as the case may be, is different from the address registered with Bursa Depository, the Applicant must inform Bursa Depository of his/her updated address promptly by adhering to the certain rules and regulation of the Bursa Depository, failing which the notification letter on successful allotment shall be sent to the Applicant address last registered with Bursa Depository.

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Applicants may also check the status of their application by calling their respective ADAs at the telephone number as stated in Section 14.10 of this Prospectus or MIH at 03-7841 8000 or 03-7841 8289, between 5 to 10 market days (during office hours only) after the balloting date.

14.10 LIST OF ADAS

The list of the ADAs and their respective broker codes are as follows:

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
KUALA LUMPUR					
Affin Hwang Investment Bank Berhad	2 nd Floor, Bangunan AHP No.2, Jalan Tun Mohd Fuad 3 Taman Tun Dr. Ismail 60000 Kuala Lumpur Tel No: 03-77106688	068-009	Affin Hwang Investment Bank Berhad	No. 57-10 Level 10 The Boulevard, Mid Valley City Lingkaran Syed Putra 59000 Kuala Lumpur Tel. No.: 03-22872273	068-017
Affin Hwang Investment Bank Berhad	Ground Mezzanine & 3 rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel. No.: 03-21438668	068-018	Affin Hwang Investment Bank Berhad	38A & 40A Jalan Midah 1 Taman Midah 56000 Cheras Kuala Lumpur Tel. No.: 03-91308803	068-021
Alliance Investment Bank Berhad	17th Floor, Menara Multi-Purpose, Capital Square 8 Jalan Munshi Abdullah 50100 Kuala Lumpur Tel. No.: 03-26043333	076-001	AmInvestment Bank Berhad	15 th Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel. No.: 03-20782788	086-001
BIMB Securities Sdn Bhd	32 nd Floor Menara Multi-Purpose Capital Square No.8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel. No.: 03-26918887	024-001	CIMB Investment Bank Berhad	Level 17, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Tel. No.: 03-22618888	065-001
FA Securities Sdn Bhd	A-10-17 & A-10-1 Level 10, Menara UOA Bangsar No. 5, Jalan Bangsar Utama 1 59000 Kuala Lumpur Tel. No.: 03-22881676	021-002	Hong Leong Investment Bank Berhad	Level 7, Menara HLA No. 3, Jalan Kia Peng 50450 Kuala Lumpur Tel. No.: 03-21681168	066-001
Hong Leong Investment Bank Berhad	Level 18, Menara Raja Laut 288, Jalan Raja Laut 50350 Kuala Lumpur Tel. No.: 03-26928899	066-006	Inter-Pacific Securities Sdn Bhd	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Tel. No.: 03-21171888	054-001
Inter-Pacific Securities Sdn Bhd	Ground Floor, 7-0-8 Jalan 3/109F Danau Business Centre Danau Desa 58100 Kuala Lumpur Tel. No.: 03-79847796	054-003	Inter-Pacific Securities Sdn Bhd	No. 33-1 (First Floor) Jalan Radin Bagus Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel. No.: 03-90562921	054-007

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
Jupiter Securities Sdn Bhd	Levels 8 & 9, Menara Olympia No. 8, Jalan Raja Chulan 50200 Kuala Lumpur Tel. No.: 03-20341888	055-001	KAF-Seagroatt & Campbell Securities Sdn Bhd	11 th -14 th Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel. No.: 03-21688800	053-001
Kenanga Investment Bank Berhad	8 th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Tel. No.: +60321649080	073-001	Kenanga Investment Bank Berhad	M3-A-7 & M3-A-8 Jalan Pandan Indah 4/3A Pandan Indah 55100 Kuala Lumpur Tel. No.: 03-42978806	073-020
Kenanga Investment Bank Berhad	Ground, Mezzanine, 1 st & 2 nd Floor (West & Centre Wing) & 1 st Floor East Wing ECM Libra Building 8, Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Tel. No.: 03-20892888	073-021	Kenanga Investment Bank Berhad	1 st Floor, Wisma Genting Jalan Sultan Ismail 50250 Kuala Lumpur Tel. No.: 03-21781133	073-029
M&A Securities Sdn Bhd	Level 1-3, No. 45 & 47 The Boulevard, Mid Valley City Lingkar Syed Putra 59200 Kuala Lumpur Tel. No.: 03-22821820	057-002	M&A Securities Sdn Bhd	22A-1 Jalan Kuchai Maju 1 Kuchai Entrepreneurs' Park Off Jalan Kuchai Lama 58200 Kuala Lumpur Tel.No.: 03-7983980	057-004
Malacca Securities Sdn Bhd	55-1, Jalan Metro Perdana Barat 1, Taman Usahawan Kepong 52100 Kuala Lumpur Tel. No.:03-62418595	012-009	Maybank Investment Bank Berhad	5-13 Floor, Maybanlife Tower Dataran Maybank No.1 Jalan Maarof 59000 Kuala Lumpur Tel. No.: 03- 22978888	098-001
Mercury Securities Sdn Bhd	L-7-2, No.2 Jalan Solaris Solaris Mont' Kiara 50480 Kuala Lumpur Tel. No.: 03-62037227	093-002	MIDF Amanah Investment Bank Berhad	21 st Floor Menara MIDF 82 Jalan Raja Chulan 50200 Kuala Lumpur Tel. No.: 03-21738888	026-001
PM Securities Sdn Bhd	Ground, Mezzanine, 1 st & 10 th Floor Menara PMI No. 2, Jalan Changkat Ceylon 50200 Kuala Lumpur Tel. No.: 03-21463000	064-001	Public Investment Bank Berhad	27 th Floor, Bangunan Public Bank No. 6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel. No.: 03-20313011	051-001
RHB Investment Bank Berhad	Level 3A Tower One, RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Tel. No.: 03-92873888	087-001	RHB Investment Bank Berhad	12 th , 20 th & 21 st Floor Plaza RHB Jalan Ampang 50450 Kuala Lumpur Tel. No.: 03-23338333	087-018

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
RHB Investment Bank Berhad	No. 62 & 64, Vista Magna Jalan Prima, Metro Prima 52100 Kuala Lumpur Tel. No.: 03-62575869	087-028	RHB Investment Bank Berhad	No. 5 & 7 Jalan Pandan Indah 4/33 Pandan Indah 55100 Kuala Lumpur Tel. No.:03-42804798	087-054
RHB Investment Bank Berhad	Ground, 1 st , 2 nd & 3 rd Floor No.55 Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel. No.: 03-90587222	087-058	TA Securities Holdings Berhad	Menara TA One No. 22, Jalan P Ramlee 50250 Kuala Lumpur Tel. No.: 03-20721277	058-003
UOB Kay Hian Securities (M) Sdn Bhd	N-1-3, Plaza Damas 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel. No.: 03-62056000	078-004	UOB Kay Hian Securities (M) Sdn Bhd	Group & 19th Floor Menara Keck Seng 203 Jalan Bukit Bintang 55100 Kuala Lumpur Tel. No.: 03-21471888	078-010

SELANGOR DARUL EHSAN

Affin Hwang Investment Bank Berhad	16 th , 18 th -20 th Floor, Plaza Masalam No. 2, Jalan Tengku Ampuan Zabedah E9/E Section 9 40100 Shah Alam Selangor Darul Ehsan Tel. No.: 03-55133288	068-002	Affin Hwang Investment Bank Berhad	East Wing & Central Link Floor 3A, Wisma Consplant 2 No. 7, Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel. No.: 03-56356688	068-010
Affin Hwang Investment Bank Berhad	3 rd & 4 th Floors Wisma Meru No. 1, Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel. No.: 03-33439999	068-019	Affin Hwang Investment Bank Berhad	Lot 229, 2 nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-77298016	068-020
Affin Hwang Investment Bank Berhad	1 st Floor, 20-22 Jalan 21/22, SEA Park 46300 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-78776229	068-022	Affin Hwang Investment Bank Berhad	No. 79-1 & 79-2 Jalan Batu Nilam 5 Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel. No.: 03-33221999	068-023
Aminvestment Bank Berhad	4 th Floor, Plaza Damansara Utama No. 2, Jalan SS21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-77106613	086-001	CIMB Investment Bank Berhad	Level G & Level 1 Tropicana City Office Tower No.3 Jalan SS 20/27 47400 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-77173388	065-009

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
Hong Leong Investment Bank Berhad	Level 10, 1 First Avenue Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-77246888	066-002	JF Apex Securities Berhad	6 th Floor, Menara Apex Off Jalan Semenyih, Bukit Mewah 43000 Kajang Selangor Darul Ehsan Tel. No.: 03-87361118	079-001
JF Apex Securities Berhad	15 th & 16 th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-76201118	079-002	JF Apex Securities Berhad	Block J-6-3A, Setia Walk PSN Wawasan Pusat Bandar Puchong 47160 Puchong Selangor Darul Ehsan Tel. No.: 03-58790163	079-004
Jupiter Securities Sdn Bhd	No. 42-46, 3 rd Floor Jalan SS19/1D 47500 Subang Jaya Selangor Darul Ehsan Tel. No.: 03-56324838	055-004	Kenanga Investment Bank Berhad	Ground – 5 th Floor East Wing, Quattro West No. 4, Lorong Persiaran Barat 46200 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-78626200	073-005
Kenanga Investment Bank Berhad	55C (2nd Floor) Jalan USJ 10/1F 47610 Subang Jaya Selangor Darul Ehsan Tel. No.: 03-80241773	073-006	Kenanga Investment Bank Berhad	Lot 240, 2 nd Floor, The Curve No. 6, Jalan PJU7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-77259095	073-016
Kenanga Investment Bank Berhad	Level 1 East Wing Wisma Consplant 2 No. 7 Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel. No.: 03-56212118	073-030	Kenanga Investment Bank Berhad	35 (Ground & 1 st Floor) Jalan Tiara 3 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel. No.: 03-33488080	073-035
Malacca Securities Sdn Bhd	No. 16, Jalan SS15/4B 47500 Subang Jaya Selangor Darul Ehsan Tel. No.: 03-56361533	012-002	Malacca Securities Sdn Bhd	No. 58A & 60A Jalan SS2/67 47300 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-78761533	012-003
Maybank Investment Bank Berhad	Suite 8.02, Level 8 Menara Trend Intan Millennium Square No. 68, Jalan Batai Laut, Taman Intan 41300 Klang Selangor Darul Ehsan Tel. No.: 03-30508888	098-003	Maybank Investment Bank Berhad	Wisma Bentley Music Level 1 No. 3, Jalan PJU 7/2 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-77188888	098-004
PM Securities Sdn Bhd	No. 157, Jalan Kenari 23/A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel. No.: 03-80700773	064-003	PM Securities Sdn Bhd	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel. No.: 03-33415300	064-007

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
RHB Investment Bank Berhad	24, 24M, 24A, 26M, 28M, 28A & 30 Jalan SS2/63 47300 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-78736366	087-011	RHB Investment Bank Berhad	No.37, Jalan Semenyih 43000 Kajang Selangor Darul Ehsan Tel. No.: 03-87363378	087-045
RHB Investment Bank Berhad	Ground & 1 st Floor No. 15, Jalan Bandar Rawang 4 48000 Rawang Selangor Darul Ehsan Tel. No.: 03-60928916	087-047	RHB Investment Bank Berhad	Ground & Mezzanine Floor No.87 & 89 Jalan Susur Pusat Perniagaan NBC Batu 1½ Jalan Meru 41050 Klang Selangor Darul Ehsan Tel. No.: 03-33439180	087-048
RHB Investment Bank Berhad	Ground Floor and First Floor No. 13, Jalan Kenari 3 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel. No.: 03-80706899	087-049	RHB Investment Bank Berhad	11-1, Jalan PJU 5/12 Dataran Sunway Kota Damansara 47810 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-61483361	087-051
RHB Investment Bank Berhad	Unit 1B, 2B & 3B USJ 10/1J 47610 UEP Subang Jaya Selangor Darul Ehsan Tel. No.: 03-80221888	087-059	SJ Securities Sdn Bhd	Ground Floor, Podium Block Wisma Synergy Lot 72, Persiaran Jubli Perak Seksyen 22 40000 Shah Alam Selangor Darul Ehsan Tel. No.: 03-51920202	096-001
SJ Securities Sdn Bhd	101B, Jalan SS15/5A 47500 Subang Jaya Selangor Darul Ehsan Tel. No.: 03-56317888	096-002	SJ Securities Sdn Bhd	No. 47-2 Jalan Batu Nilam 5 Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel. No.: 03-33221915	096-004
SJ Securities Sdn Bhd	No. A-3-11, Block Alamanda, 10, Boulevard Lebuhraya Sprint PJU 6 ^a 47400 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-77323862	096-005	TA Securities Holdings Berhad	No. 2-1, 2-2, 2-3 & 4-2 Jalan USJ 9/5T Subang Business Centre 47620 UEP Subang Jaya Selangor Darul Ehsan Tel. No.: 03-80251880	058-005
TA Securities Holdings Berhad	2 nd Floor, Wisma TA No. 1A, Jalan SS 20/1 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel. No.: 03-77295713	058-007			

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
MELAKA					
CIMB Investment Bank	Ground, 1 st & 2 nd Floor No.191, Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel. No.: 06-2898800	065-006	Kenanga Investment Bank Berhad	71 (A&B) & 73 (A&B), Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel. No.: 06-288 1720	073-028
Kenanga Investment Bank Berhad	22A & 22A-1 and 26 & 26-1, Jalan MP 10 Taman Merdeka Permai 75350 Batu Berendam Melaka Tel. No.: 06-3372550	073-034	Malacca Securities Sdn Bhd	No. 1, 3 & 5, Jalan PPM 9, Plaza Pandan Malim (Business Park) Balai Panjang, P.O. Box 248 75250 Melaka Tel. No.: 06-3371533	012-001
Mercury Securities Sdn Bhd	No. 81-B & 83-B, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel. No.: 06-2921898	093-003	PM Securities Sdn Bhd	No. 13, Jalan PM2 Plaza Makhota 75000 Melaka Tel. No.: 06-2866008	064-006
RHB Investment Bank Berhad	No. 19, 21 & 23 Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel: 06-2833622	087-002	RHB Investment Bank Berhad	579, 580 & 581 Taman Melaka Raya 75000 Melaka Tel. No.: 06-2825211	087-026
TA Securities Holdings Berhad	59, 59A, 59B Jalan Merdeka Taman Merdeka Raya 75000 Melaka Tel. No.: 06-2862618	058-008	UOB Kay Hian Securities (M) Sdn Bhd	7-2, Jalan PPM8 Malim Business Park 75250 Melaka Tel. No.: 06-3352511	078-014
PERAK DARUL RIDZUAN					
Affin Hwang Investment Bank Berhad	21, Jalan Stesen 34000 Taiping Perak Darul Ridzuan Tel. No.: 05-8066688	068-003	Affin Hwang Investment Bank Berhad	2 nd & 3 rd Floor No.22, Persiaran Greentown 1 Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel. No.: 05-2559988	068-015
CIMB Investment Bank Berhad	Ground, 1 st , 2 nd & 3 rd Floor No. 8, 8A-8C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel. No.: 05-2088688	065-010	Hong Leong Investment Bank Berhad	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel. No.: 05-2530888	066-003

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
Kenanga Investment Bank Berhad	Ground, 1 st , 2 nd & 4 th Floor No.63 Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel. No.: 05-2422828	073-022	Kenanga Investment Bank Berhad	No. 7B-1, Jalan Laman Intan Bandar Baru Teluk Intan 36000 Teluk Intan Perak Darul Ridzuan Tel. No.: 05-6222828	073-026
Kenanga Investment Bank Berhad	Ground Floor No. 25 & 25A Jalan Jaya 2. Medan Jaya 32000 Sitiawan Perak Darul Ridzuan Tel. No.: 05-6939828	073-031	M&A Securities Sdn Bhd	M & A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel. No.: 05-2419800	057-001
Maybank Investment Bank Berhad	B-G-04 (Ground Floor) Level 1 & 2, 42 Persiaran Greentown 1 Pusat Perdagangan Greentown 30450 Ipoh Perak Darul Ridzuan Tel. No.: 05-2453400	098-002	RHB Investment Bank Berhad	Ground & 1 st Floor No.17 Jalan Intan 2 Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel. No.: 05-6236498	087-014
RHB Investment Bank Berhad	Ground & 1 st Floor No. 23 & 25, Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel. No.: 05-6921228	087-016	RHB Investment Bank Berhad	21-25, Jalan Seenivasagam, Greentown 30450 Ipoh Perak Darul Ridzuan Tel. No.: 05-2415100	087-023
RHB Investment Bank Berhad	Ground Floor, No.40, 42 & 44 Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel. No.: 05-8088229	087-034	RHB Investment Bank Berhad	Ground Floor No. 72 Jalan Idris 31900 Kampar Perak Darul Ridzuan Tel. No.:05-4651261	087-044
RHB Investment Bank Berhad	Ground Floor No.2, Jalan Wawasan 4 Taman Wawasan 34200 Parit Buntar Perak Darul Ridzuan Tel. No.: 05-7170888	087-052	TA Securities Holdings Berhad	Ground, 1 st & 2 nd Floor Plaza Teh Teng Seng No. 227, Jalan Raja Permaisuri Bainun 30250 Ipoh Perak Darul Ridzuan Tel. No.: 05-2531313	058-001
UOB Kay Hian Securities (M) Sdn Bhd	29G, Jalan Intan 2, Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel. No.: 05-6232328	078-009	UOB Kay Hian Securities (M) Sdn Bhd	153 ^a , Jalan Raja Musa Aziz 30303 Ipoh Perak Darul Ridzuan Tel. No.: 05-2411290	078-013

PULAU PINANG

Affin Hwang Investment Bank Berhad	Level 2, 3, 4, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Pulau Pinang Tel. No.: 04-2636996	068-001	Affin Hwang Investment Bank Berhad	No. 2 & 4 Jalan Perda Barat Bandar Perda 14000 Bukit Mertajam, Pulau Pinang Tel. No.: 04-5372882	068-006
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14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
Alliance Investment Bank	Ground & Mezzanine Floor Bangunan Barkath 21, Lebu Pantai 10300 Georgetown Pulau Pinang Tel. No.: 04-2611688	076-015	AmInvestment Bank Berhad	3 rd Floor, Menara Liang Court No. 37, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel. No.: 04-2261818	086-001
CIMB Investment Bank Berhad	Ground Floor Suite 1.01, Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel. No.: 04-2385900	065-001	Inter-Pacific Securities Sdn Bhd	Ground, Mezzanine & 8 th Floor Selesa Tower No. 3, Penang Street 10200 Pulau Pinang Tel. No.: 04-2690888	054-002
Jupiter Securities Sdn Bhd	20-1, Persiaran Bayan Indah Bayan Bay, Sungai Nibong 11900 Bayan Lepas Pulau Pinang Tel. No.: 04-6412881	055-003	JF Apex Securities Berhad	368-2-5, Jalan Rumah Belissa Row 10350 Pulau Tikus Pulau Pinang Tel. No.: 04-2289118	079-005
Kenanga Investment Bank Berhad	7 th , 8 th & 16 th Floor Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel. No.: 04-2283355	073-023	M&A Securities Sdn Bhd	332H-1 & 332G-2 Harmony Square Jalan Perak 11600 Georgetown Pulau Pinang Tel. No.: 04-2817611	057-005
M&A Securities Sdn Bhd	216, 216A, 218 & 218A Pengkalan Weld Lebu Macallum 10300 Penang Tel. No.: 04-2617611	057-008	Malacca Securities Sdn Bhd	Prima Tanjung Suite 98-3-13A Jalan Fettes 11200 Tanjung Tokong Pulau Pinang Tel. No.: 04-8981525	012-004
Malacca Securities Sdn Bhd	48, Jalan Todak 2 13700 Seberang Jaya Pulau Pinang Tel. No.: 04-3905669	012-006	Malacca Securities Sdn Bhd	No. 17, 1 st Floor, Persiaran Bayan Indah Taman Bayan Indah 11900 Bayan Lepas Pulau Pinang Tel. No.: 04-6421533	012-007
Maybank Investment Bank Berhad	Lot 1.02, 1 st Floor Bangunan KWSP Jalan Sultan Ahmad Shah 10050 Georgetown Pulau Pinang Tel. No.: 04-2196888	098-006	Mercury Securities Sdn Bhd	Ground, 1 st , 2 nd & 3 rd Floor Wisma UMNO Lorong Bagan Luar Dua 12000 Butterworth Pulau Pinang Tel. No.: 04-3322123	093-001

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
Mercury Securities Sdn Bhd	2 nd Floor Standard Chartered Bank Chambers 2 Lebuah Pantai 10300 Pulau Pinang Tel. No.: 04-2639118	093-004	Mercury Securities Sdn Bhd	70-1-22 Jalan Mahsuri 11900 Bandar Bayan Baru Pulau Pinang Tel. No.: 04-6400822	093-006
PM Securities Sdn Bhd	Level 25, Menara BHL 51, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel. No.: 04-2273000	064-004	RHB Investment Bank Berhad	Ground 1 st & 2 nd Floor No.2677 Jalan Chain Ferry Taman Inderawasih 13600 Prai Pulau Pinang Tel. No.: 04-3900022	087-005
RHB Investment Bank Berhad	Ground, 1 st & 2 nd Floor No.11A Jalan Keranji Off Jalan Padang Lallang 14000 Bukit Mertajam Pulau Pinang Tel. No.:04-5402888	087-015	RHB Investment Bank Berhad	834, Jalan Besar Sungai Bakap 14200 Sungai Jawi Seberang Perai Selatan Pulau Pinang Tel. No.: 04-5831888	087-032
RHB Investment Bank Berhad	64 & 64-D Ground Floor – 3 rd Floor & 5 th – 8 th Floor Lebuah Bishop 10200 Pulau Pinang Tel. No.: 04-2634222	087-033	RHB Investment Bank Berhad	Ground & 1 st Floor No. 15-G-5, 15-G-6, 15-1-5, 15-1-6 Medan Kampung Relau (Bayan Point) 11950 Pulau Pinang Tel. No.: 04-6404888	087-042
RHB Investment Bank Berhad	41-A, 41-B & 41-C Lintang Angsana Bandar Baru Air Itam 11500 Pulau Pinang Tel. No.: 04-8352988	087-056	SJ Securities Sdn Bhd	12th Floor, Office Tower Hotel Royal Penang No. 3 Jalan Larut 10050 Georgetown Pulau Pinang Tel. No.: 04-2289836	096-003
TA Securities Holdings Berhad	3 rd Floor, Bangunan Heng Guan No. 171, Jalan Burmah 10050 Pulau Pinang Tel. No.: 04-2272339	058-010	UOB Kay Hian Securities (M) Sdn Bhd	1 st Floor, Bangunan Heng Guan 171 Jalan Burmah 10050 Pulau Pinang Tel. No.: 04-2299318	078-002
UOB Kay Hian Securities (M) Sdn Bhd	Ground & 1 st Floor No. 2 Jalan Perniagaan 2 Pusat Perniagaan Alma 14000 Bukit Mertajam Pulau Pinang Tel. No.: 04-5541388	078-003			
KEDAH DARUL AMAN					
Affin Hwang Investment Bank Berhad	No 70A, B & C Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel. No.: 04-4256666	068-011	Alliance Investment Bank Berhad	Lot 7-30, 2 nd Floor Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel. No.: 04-7317088	076-004

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
RHB Investment Bank Berhad	No. 112, Jalan Pengkalan Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel. No.: 04-4204888	087-017	RHB Investment Bank Berhad	35, Ground Floor Jalan Suria 1, Jalan Bayu 09000 Kulim Kedah Darul Aman Tel. No.: 04-4964888	087-019
RHB Investment Bank Berhad	Ground & 1 st Floor 214-A, 214-B, 215-A & 215-B Medan Putra Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel. No.: 04-7209888	087-021	UOB Kay Hian Securities (M) Sdn Bhd	Lot 4, 5 & 5 1 st Floor EMUM 55 No.55, Jalan Gangsa Kawasan Perusahaan Megong 2 Seberang Jaya Putra 05130 Alor Setar Kedah Darul Aman Tel. No.: 04-7322111	078-007
PERLIS INDERA KAYANGAN					
RHB Investment Bank Berhad	Ground & 1 st Floor No.39, Taman Suriani Persiaran Jubli Emas 01000 Kangar Perlis Indra Kayangan Tel. No.: 04-9793888	087-060			
NEGERI SEMBILAN DARUL KHUSUS					
Affin Hwang Investment Bank Berhad	1 st Floor 105, 107 & 109 Jalan Yam Tuan 70000 Seremban Negeri Sembilan Darul Khusus Tel. No.: 06-7612288	068-007	Affin Hwang Investment Bank Berhad	No. 6, Upper Level Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel. No.: 06-4553188	068-013
Kenanga Investment Bank Berhad	1C & 1D, First Floor Jalan Tunku Munawir 70000 Seremban Negeri Sembilan Darul Khusus Tel. No.: 06-7655998	073-033	Maybank Investment Bank Berhad	Wisma HM No. 43, Jalan Dr Krishnan 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7669555	098-005
PM Securities Sdn Bhd	Ground, 1 st , 2 nd & 3 rd Floor No. 18-21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel. No.: 06-7623131	064-002	RHB Investment Bank Berhad	Ground, 1st & 2nd Floor No. 32 & 33, Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel. No.: 06-7641641	087-024
RHB Investment Bank Berhad	1 st Floor, No. 3601, Jalan Besar 73000 Tampin Negeri Sembilan Darul Khusus Tel. No.: 06-4421000	087-037	RHB Investment Bank Berhad	Ground & Mezzanine Floor No. 346 & 347 Batu ½, Jalan Pantai 71000 Port Dickson Negeri Sembilan Darul Khusus Tel No.: 06-6461234	087-046

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
JOHOR DARUL TAKZIM					
Affin Hwang Investment Bank Berhad	Level 7, Johor Bahru City Square (Office Tower) 106-108, Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel. No.: 07-2222692	068-004	Alliance Investment Bank Berhad	No. 73, Ground & 1st Floor, Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel. No.: 07-7717922	076-006
AmlInvestment Bank Berhad	3 rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel. No.: 07-4342282	086-002	AmlInvestment Bank Berhad	18 th Floor Selesa Tower Jalan Dato' Abdullah Tahir 80300 Johor Bahru Johor Darul Takzim Tel. No.: 07-334 3855	086-001
CIMB Investment Bank Berhad	No. 73, Ground Floor No 73A & 79A, First Floor Jalan Kuning Dua 80400 Johor Bahru Johor Darul Takzim Tel. No.: 07-3405888	065-011	Inter-Pacific Securities Sdn Bhd	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel. No.: 07-2231211	054-004
Jupiter Securities Sdn Bhd	30-1, Jalan Molek 1/10 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel. No.: 07-3538878	055-002	Kenanga Investment Bank Berhad	Level 2, Menara Pelangi Jalan Kuning Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel. No.: 07-3333600	073-004
Kenanga Investment Bank Berhad	Ground & Mezzanine Floor No.34 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel. No.: 07-9333515	073-009	Kenanga Investment Bank Berhad	No. 33 & 35 (A&B) Ground Floor Jalan Syed Abdul Hamid Sagaff, 86000 Kluang Johor Darul Takzim Tel. No.: 07-7771161	073-010
Kenanga Investment Bank Berhad	Groud Floor No. 4, Jalan Dataran 1 Taman Bandar Tangkak 84900 Tangkak Johor Darul Takzim Tel. No.: 06-9782292	073-011	Kenanga Investment Bank Berhad	No. 24, 24A & 24B Jalan Penjaja 3 Kim Park Centre Batu Pahat, 83000 Johor Darul Takzim Tel. No.: 07-4326963	073-017
Kenanga Investment Bank Berhad	Suite 16-02, 16-03 & 16-03A Level 16 Menara MSC Cyberport No. 5 Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel. No.: 07-2237423	073-019	Kenanga Investment Bank Berhad	No. 57,59 & 61, Jalan Ali 84000 Muar Johor Darul Takzim Tel. No.: 06-9531222	073-024

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
Kenanga Investment Bank Berhad	Ground Floor No. 234, Jalan Besar Taman Semberong Baru 83700 Yong Peng Johor Darul Takzim Tel. No.: 07-4678885	073-025	M&A Securities Sdn Bhd	Suite 5.3A, Level 5 Menara Pelangi Jalan Kuning Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel. No.: 07-3381233	057-003
M&A Securities Sdn Bhd	No. 27, 27A & 27B Jalan Molek 3/10 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel. No.: 07-3551988	057-007	Malacca Securities Sdn Bhd	74 Jalan Serampang Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel. No.: 07-3351533	012-005
Mercury Securities Sdn Bhd	Suite 17.1 Level 17, Menara Pelangi No. 1 Jalan Kuning Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel. No.: 07-3316992	093-005	PM Securities Sdn Bhd	Ground & 1 st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park, Business Centre 83000 Batu Pahat Johor Darul Takzim Tel. No.: 07-4333608	064-008
RHB Investment Bank Berhad	6 th Floor Wisma Tiong-Hua 8, Jalan Keris, Taman Sri Tebrau 80050 Johor Bahru Johor Darul Takzim Tel. No.: 07-2788821	087-006	RHB Investment Bank Berhad	53, 53A & 53B, Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel. No.: 07-4380288	087-009
RHB Investment Bank Berhad	No. 33-1, 1 st & 2 nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel. No.: 06-9538262	087-025	RHB Investment Bank Berhad	Ground & 1st Floor No. 119 & 121, Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel. No.: 07-5577628	087-029
RHB Investment Bank Berhad	Ground, 1 st & 2 nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel. No.: 07-9321543	087-030	RHB Investment Bank Berhad	Ground & 1st Floor No. 40 Jalan Haji Manan 86000 Kluang Johor Darul Takzim Tel. No.: 07-7769655	087-031
RHB Investment Bank Berhad	Ground, 1 st & 2 nd Floor, No. 10, Jalan Anggerik 1, Taman Kulai Utama, 81000 Kulai, Johor Darul Takzim. Tel. No.: 07-6626288	087-035	RHB Investment Bank Berhad	Ground, 1 st & 2 nd Floor, No. 343, Jalan Muar, 89400 Tangkak, Johor Darul Takzim. Tel: 06-9787180	087-038

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
RHB Investment Bank Berhad	1 st Floor, No. 2 Jalan Makmur, Taman Sri Aman 85300 Labis Johor Darul Takzim Tel. No.: 07-9256881	087-039	RHB Investment Bank Berhad	Ground & 1 st Floor No.21 & 23 Jalan Molek 1/30 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel. No.: 07-3522293	087-043
TA Securities Berhad	7A, Jalan Genuang Perdana Taman Genuang Perdana 85000 Segamat Johor Darul Takzim Tel. No.: 07-9435278	058-009	UOB Kay Hian Securities (M) Sdn Bhd	Level 6 & 7, Menara MSC Cyberport No. 5, Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel. No.: 07-3332000	078-001
UOB Kay Hian Securities (M) Sdn Bhd	42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel. No.: 07-6637398	078-005	UOB Kay Hian Securities (M) Sdn Bhd	No. 70 Jalan Rosmerah 2/17 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel. No.: 07-3513218	078-006
UOB Kay Hian Securities (M) Sdn Bhd	No.171 (Ground Floor) Jalan Bestari 1/5 Taman Nusa Bestari 81300 Skudai Johor Darul Takzim Tel. No.: 07-5121633	078-008			
PAHANG DARUL MAKMUR					
Alliance Investment Bank Berhad	Ground, Mezzanine & 1st Floor B400, Jalan Beserah 25300 Kuantan Pahang Darul Makmur Tel. No.: 09-5660800	076-002	CIMB Investment Bank Berhad	Ground, 1 st & 2 nd Floor No. A-27 Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel. No.: 09-2057800	065-007
Jupiter Securities Sdn Bhd	2 nd Floor, Lot No 25 Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel. No.: 09-2234136	055-005	Kenanga Investment Bank Berhad	A15, A17 & A19, Ground Floor Jalan Sultan Ismail 2 Sri Dagangan 2 25000 Kuantan Pahang Darul Makmur Tel. No.: 09-5171698	073-027
Malacca Securities Sdn Bhd	P11-3, Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel. No.: 09-2220993	012-008	RHB Investment Bank Berhad	B32 & B34 Lorong Tun Ismail 8 Seri Dagangan II Kuantan Business Centre 25000 Kuantan Pahang Darul Makmur Tel. No.: 09-5173811	087-007

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
RHB Investment Bank Berhad	Ground Floor No. 98, Jalan Pasdec 28700 Bentong Pahang Darul Makmur Tel. No.: 09-2234943	087-022	RHB Investment Bank Berhad	Ground & 1 st Floor, No. 76-A, Persiaran Camelia 4, Tanah Rata, 39000 Cameron Highlands, Pahang Darul Makmur. Tel: 05-4914913	087-041
KELANTAN DARUL NAIM					
RHB Investment Bank Berhad	Ground & 1st Floor No. 3953-H Jalan Kebun Sultan 15350 Kota Bahru Kelantan Darul Naim Tel. No.: 09-7430077	087-020	TA Securities Holdings Berhad	298, Jalan Tok Hakim 15000 Kota Bahru Kelantan Darul Naim Tel. No.: 09-7432288	058-004
UOB Kay Hian Securities (M) Sdn Bhd	Ground & 1st Floor, Lot 712, Sek 9, PT62 Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel. No.: 09-7473906	078-015			
TERENGGANU DARUL IMAN					
Alliance Investment Bank Berhad	Ground & Mezzanine Floor Wisma Kam Choon 101, Jalan Kampung Tiong 20100 Kuala Terengganu Terengganu Darul Iman Tel. No.: 09-6317922	076-009	FA Securities Sdn Bhd	No. 51 & 51A Ground, Mezzanine & 1st Floor Jalan Tok Lam 20100 Kuala Terengganu Terengganu Darul Iman Tel. No.: 09-6238128	021-001
RHB Investment Bank Berhad	Ground Floor & 1 st Floor 9651, Cukai Utama Jalan Kubang Kurus 24000 Kemaman Terengganu Darul Iman Tel. No.: 09-8583109	087-027	RHB Investment Bank Berhad	31A Ground Floor 31A & 31B, 1 st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Oman Tel. No.: 09-6261816	087-055
SARAWAK					
Affin Hwang Investment Bank Berhad	Ground & 1 st Floor No. 1, Jalan Pending 93450 Kuching Sarawak Tel. No.: 082-341999	068-005	Affin Hwang Investment Bank Berhad	No.282, 1 st Floor Park City Commercial Centre Phase 4, Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel. No.: 086-330008	068-016
AmInvestment Bank Berhad	No.164, 166 & 168 1 st Floor Jalan Abell 93100 Kuching Sarawak Tel. No.: 084-244791	086-001	CIMB Investment Bank Berhad	Level 1, Wisma STA 26 Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel. No.: 082-358 606	065-001

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
CIMB Investment Bank Berhad	No.6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibu Sarawak Tel. No.: 084-367700	065-001	Kenanga Investment Bank Berhad	Lot 2465, Jalan Boulevard Utama Boulevard Commercial Centre 98000 Miri Sarawak Tel. No.: 085-435577	073-002
Kenanga Investment Bank Berhad	Level 2-4, Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Tel. No.: 082-338000	073-003	Kenanga Investment Bank Berhad	No. 11-12 (Ground & 1 st Floor) Lorong Kampung Datu 3 96000 Sibu Sarawak Tel. No.: 084-313855	073-012
Mercury Securities Sdn Bhd	1 st Floor 16, Jalan Getah 96100 Sarikei Sarawak Tel. No.: 084-659019	093-007	Kenanga Investment Bank Berhad	Ground Floor of Survey Lot No 4203 Parkcity Commerce Square Phase 6, Jalan Diwarta 97000 Bintulu Sarawak Tel. No.: 086-337588	073-018
RHB Investment Bank Berhad	Yung Kong Abell Units No. 1-10, 2 nd Floor Lot 365, Section 50 Jalan Abell 93100 Kuching Sarawak Tel. No.: 082-250888	087-008	RHB Investment Bank Berhad	2nd Floor, Lot 1268 & Lot 1269 Centre Point Commercial Centre Jalan Melayu 98000 Miri Sarawak Tel. No.: 085-422788	087-012
RHB Investment Bank Berhad	102 Pusat Pedada Jalan Pedada 96000 Sibu Sarawak Tel. No.: 084-329100	087-013	RHB Investment Bank Berhad	Ground & 1 st Floor No.10, Jalan Bersatu 96100 Sarikei Sarawak Tel. No.: 084-654100	087-050
RHB Investment Bank Berhad	Ground & 1 st Floor No. 221, Parkcity Commerce Square Phase III, Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel. No.: 086-311770	087-053	TA Securities Holdings Berhad	12G, H & I Jalan Kampung Datu 96000 Sibu Sarawak Tel. No.: 084-319998	058-002
TA Securities Holdings Berhad	2 nd Floor Bangunan Binamas Lot 138, Section 54 Jalan Padungan 93100 Kuching Sarawak Tel. No.: 082-236333	058-006			

14. PROCEDURE FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code	Name	Address and telephone number	Broker code
SABAH					
Affin Hwang Investment Bank Berhad	Suite 1-9-E1, 9 th Floor CPS Tower, Centre Point Sabah No.1 Jalan Centre Point 88000 Kota Kinabalu Tel. No.: 088-311688	068-008	CIMB Investment Bank Berhad	1 st & 2 nd Floor Central Building No.28 Jalan Segunting 88000 Kota Kinabalu Sabah Tel. No.: 088-328878	065-001
Kenanga Investment Bank Berhad	Level 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel. No.: 088-236188	073-032	RHB Investment Bank Berhad	2 nd Floor 81 & 83, Jalan Gaya 88000 Kota Kinabalu Sabah Tel. No.: 088-269788	087-010
RHB Investment Bank Berhad	Lot 14-0, Ground Floor Lorong Lintas Plaza 2 Lintas Plaza Off Jalan Lintas 88300 Kota Kinabalu Sabah Tel. No.: 088-258618	087-036	RHB Investment Bank Berhad	Ground Floor, Block 2 Lot 4 & Lot 5, Bandar Indah, Mile 4 North Road 91000 Sandakan Sabah Tel. No.: 089-229286	087-057
UOB Kay Hian Securities (M) Sdn Bhd (formerly known as Innosabah Securities Berhad)	11, Equity House, Block K Sadong Jaya Karamunsing 88100 Kota Kinabalu Sabah Tel. No.: 088-234090	078-011	UOB Kay Hian Securities (M) Sdn Bhd	Lot 177 & 178, Ground Floor Blok 17, Phase 2, Prima Square Mile 4, North Road 90000 Sandakan Sabah Tel. No.: 089-218681	078-012

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