All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

If you have sold or transferred all your Hubline Shares, you should at once hand this Abridged Prospectus, and the accompanying NPA and RSF to the agent/ broker through whom you effected the sale or transfer for onward transmission to the purchaser or transferee. All enquiries concerning the Rights Issue should be addressed to our Share Registrar, Securities Services (Holdings) Sdn Bhd (Company No. 36869-T), Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia.

A copy of this Abridged Prospectus has been registered with the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Abridged Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment. A copy of this Abridged Prospectus, and the accompanying NPA and RSF have also been lodged with the Registrar of Companies who takes no responsibility for the contents of these documents.

The approval from our shareholders for the Rights Issue was obtained at our EGM held on 5 October 2015. The approval from Bursa Securities has also been obtained on 4 September 2015 for the admission of Warrants B to the Official List and the listing of and quotation for the Rights Shares, Warrants B, Adjustment Warrants A and the new Hubline Shares to be issued arising from the exercise of the Warrants B and Adjustment Warrants A on the Main Market of Bursa Securities. However, this is not an indication that Bursa Securities recommends the Rights Issue. The admission of the Warrants B to the Official List and the listing of and quotation for all the said new securities on the Main Market of Bursa Securities are in no way reflective of the merits of the Rights Issue.

Neither the SC nor Bursa Securities takes any responsibility for the correctness of statements made or opinions expressed in this Abridged Prospectus. The admission of the Warrants B to the Official List and the listing of and quotation for all the said new securities will commence after the receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

Our Board has seen and approved all the documentation relating to this Rights Issue. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which if omitted would make the statements in these documents false or misleading.

This Abridged Prospectus, and the accompanying NPA and RSF are only despatched to our Entitled Shareholders whose names appear on our Record of Depositors and who have provided our Share Registrar with a registered address in Malaysia not later than 5.00 p.m. on 26 November 2015. This Abridged Prospectus, and the accompanying NPA and RSF are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and/or other professional advisers as to whether the acceptance and/or renunciation (as the case may be) of all or any part of their entitlements to the Rights Shares and the Warrants B would result in a contravention of any laws of such countries or jurisdictions. Neither we, RHB Investment Bank nor any other professional advisers shall accept any responsibility or liability in the event that any acceptance and/or renunciation (as the case may be) of the entitlements to the Rights Shares and the Warrants B made by the Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in any such countries or jurisdictions.

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

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH YOU SHOULD CONSIDER, PLEASE REFER TO SECTION 6 OF THIS ABRIDGED PROSPECTUS.

HUBLine

HUBLINE BERHAD

(Company No. 23568-H)
(Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF UP TO 6,482,268,188 NEW ORDINARY SHARES OF RM0.01 EACH IN HUBLINE ("HUBLINE SHARE(S)") ("RIGHTS SHARE(S)") AT AN ISSUE PRICE OF RM0.01 PER RIGHTS SHARE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) HUBLINE SHARE HELD, TOGETHER WITH UP TO 1,620,567,047 FREE DETACHABLE NEW WARRANTS ("WARRANT(S) B"), ON THE BASIS OF ONE (1) WARRANT B FOR EVERY FOUR (4) RIGHTS SHARES SUBSCRIBED AS AT 5.00 P.M. ON 26 NOVEMBER 2015

Principal Adviser

RHB

RHB Investment Bank Berhad

(Company No. 19663-P)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIME:

Entitlement Date	:	Thursday, 26 November 2015 at 5.00 p.m.
Last date and time for sale of provisional allotment of rights	:	Thursday, 3 December 2015 at 5.00 p.m.
Last date and time for transfer of provisional allotment of rights	:	Tuesday, 8 December 2015 at 4.00 p.m.
Last date and time for acceptance and payment	:	Friday, 11 December 2015 at 5.00 p.m.*
Last date and time for excess application and payment	:	Friday, 11 December 2015 at 5.00 p.m.*

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

This Abridged Prospectus is dated 26 November 2015

BURSA SECURITIES HAS APPROVED THE ADMISSION OF THE WARRANTS B TO THE OFFICIAL LIST OF BURSA SECURITIES, THE LISTING OF AND QUOTATION FOR THE RIGHTS SHARES, WARRANTS B AND ADJUSTMENT WARRANTS A, AND THE NEW HUBLINE SHARES TO BE ISSUED ARISING FROM THE EXERCISE OF THE WARRANTS B AND ADJUSTMENT WARRANTS A. THE APPROVAL FROM BURSA SECURITIES SHALL NOT BE TAKEN TO INDICATE THAT BURSA SECURITIES RECOMMENDS THE RIGHTS ISSUE.

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

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

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

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

THE DELIVERY OF THIS ABRIDGED PROSPECTUS SHALL NOT, UNDER ANY CIRCUMSTANCES, CONSTITUTE A REPRESENTATION OR CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF OUR GROUP SINCE THE DATES HEREOF. WE AND OUR ADVISER HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THIS ABRIDGED PROSPECTUS. THIS ABRIDGED PROSPECTUS HAS BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE UNDER THE LAWS OF MALAYSIA.

DEFINITIONS

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

"Abridged Prospectus"	:	This abridged prospectus dated 26 November 2015
"Act"	:	Companies Act, 1965
"Additional Undertaking(s)"	:	Irrevocable undertaking(s) from BPSB, VSB, DLLK and RWLH to subscribe for additional Rights Shares in the event there are Rights Shares not subscribed by other Entitled Shareholders
"Adjustment Warrant(s) A"	:	Additional new Warrant(s) A to be issued pursuant to the adjustments in accordance with the provisions of the Deed Poll 2009 as a result of the Rights Issue, if any
"Amendments"	:	Amendments to the Memorandum of Association of Hubline to facilitate the Par Value Reduction
"Board"	:	Board of Directors of Hubline
"BPSB"	:	Billion Power Sdn Bhd (Company No. 236464-V)
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd (Company No. 165570-W)
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (Company No. 635998-W)
"CDS"	:	Central Depository System
"CDS Account(s)"	:	A securities account established by Bursa Depository for a depositor pursuant to the Securities Industry (Central Depository) Act 1991 and the Rules of Bursa Depository for the recording of deposits of securities and dealings in such securities by the depositor
"CMSA"	:	Capital Markets and Services Act, 2007 and includes any amendments thereto from time to time
"Code"	:	Malaysian Code on Take-Overs and Mergers, 2010, as amended from time to time and any re-enactment thereof
"Container Business Subsidiaries"	:	The group of subsidiaries involved in the container shipping division of Hubline
"Corporate Exercises"	:	The Par Value Reduction, Rights Issue, Private Placement and Amendments collectively
"Deed Poll 2009"	:	Collectively, the deed poll dated 28 September 2009 and any supplemental deed poll executed thereon, which governs the terms and conditions of Warrants A
"Deed Poll 2015"	:	The deed poll dated 12 November 2015 constituting the Warrants B
"Director(s)"	:	Has the meaning given in Section 2(1) of the CMSA
"DLLK"	:	Dennis Ling Li Kuang

DEFINITIONS (Cont'd)

"EGM"	:	Extraordinary General Meeting
"EMS"	:	EM Shipping Sdn Bhd (Company No. 498377-H)
"Entitled Shareholder(s)"	:	The shareholder(s) of Hubline whose names appear in the Company's Record of Depositors on the Entitlement Date
"Entitlement Date"	:	5.00 p.m. on 26 November 2015, being the date and time on which the names of our shareholders must appear in the Record of Depositors in order to participate in the Rights Issue
"Entitlement Undertaking(s)"	:	Irrevocable undertaking(s) from BPSB, VSB, DLLK and RWLH to subscribe for their respective Rights Shares entitlements under the Rights Issue
"EPS"	:	Earnings per share
"Excess Applicant(s)"	:	Any unsubscribed Rights Shares made available to the Entitled Shareholders and/or their renouncee(s)/transferee(s) under the excess Rights Shares with Warrants B application(s)
"Foreign Entitled Shareholder(s)"	:	Entitled Shareholders who do not have a registered address in Malaysia in the Record of Depositors
"FPE"	:	Financial period ended/ending, as the case may be
"FYE"	:	Financial year ended/ending, as the case may be
"High Court"	:	The Malaysian High Court
"Hub Shipping"	:	Hub Shipping Sdn Bhd (Company No. 219494-T)
"Hubline" or the "Company"	:	Hubline Berhad (Company No. 23568-H)
"Hubline Group" or the "Group"	:	Hubline and its subsidiary companies, collectively
"Hubline Share(s)" or "Share(s)"	:	Ordinary share(s) of par value RM0.01 each in Hubline
"LAT"	:	Loss after tax
"LBT"	:	Loss before tax
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities
"LPD"	:	3 November 2015, being the latest practicable date prior to the printing and despatch of this Abridged Prospectus
"Market Day"	:	Any day between Monday to Friday (inclusive), excluding public holidays, and any day on which Bursa Securities is open for trading of securities
"Maximum Scenario"	:	Assuming all Entitled Shareholders subscribe for their respective entitlements under the Rights Issue

DEFINITIONS (Cont'd)

"Minimum Subscription Level"	:	A minimum level of subscription of 3,245,961,626 Rights Shares together with 811,490,406 Warrants B pursuant to the Rights Issue assuming only BPSB, VSB, DLLK and RWLH subscribe for their respective Entitlement Undertakings and Additional Undertakings
"NA"	:	Net assets
"NPA"	:	Notice of Provisional Allotment
"Official List"	:	A list specifying all securities which have been admitted for listing on the Main Market of Bursa Securities and not removed
"Outstanding Warrant(s) A"	:	1,511,677,733 outstanding Warrant(s) A that have yet to be exercised as at the LPD
"Par Value Reduction"	:	Share capital reduction of Hubline via the cancellation of RM0.19 of the par value of every existing fully issued and paid-up ordinary share of RM0.20 each in Hubline pursuant to Section 64 of the Act which took effect on 2 November 2015
"PAT"	:	Profit after tax
"PBT"	:	Profit before tax
"Placee(s)"	:	Third party investor(s) who qualify under Schedules 6 and 7 of the CMSA
"Placement Share(s)"	:	Up to 2,917,020,684 new Hubline Share(s) to be issued pursuant to the Private Placement
"PPE"	:	Property, plant and equipment
"Private Placement"	:	Private placement of up to 2,917,020,684 Placement Shares, representing up to approximately 30.0% of the issued and fully paid-up share capital of the Company after the Par Value Reduction and Rights Issue, together with up to 1,458,510,342 Warrants B on the basis of one (1) Warrant B for every two (2) Placement Shares to be subscribed by potential Placees
"Provisional Allotment"	:	Rights Shares with free Warrants B provisionally allotted to the Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) pursuant to the Rights Issue
"Record of Depositors"	:	A record of depositors established by Bursa Depository under the rules of depository
"RHB Banking Group"	:	RHB Capital Berhad and/or its related companies
"RHB Investment Bank" or the "Principal Adviser"	:	RHB Investment Bank Berhad (Company No. 19663-P)
"Rights Issue"	:	Renounceable rights issue of up to 6,482,268,188 new Hubline Shares on the basis of two (2) Rights Shares for every one (1) Hubline Share, together with up to 1,620,567,047 Warrants B, on the basis of one (1) Warrant B for every four (4) Rights Shares subscribed

"Rights Share(s)"	:	Up to 6,482,268,188 new Hubline Shares to be issued pursuant to the Rights Issue
"RM" and "sen"	:	Ringgit Malaysia and sen respectively
"RSF"	:	Rights Subscription Form issued by Hubline, which is to be used by the Entitled Shareholders, renouncee(s)/transferee(s) and other permitted investors to subscribe or accept the Provisional Allotment
"RWLH"	:	Richard Wee Liang Huat @ Richard Wee Liang Chiat
"SC"	:	Securities Commission Malaysia
"Share Registrar"	:	Securities Services (Holdings) Sdn Bhd (Company No. 36869-T)
"TERP"	:	Theoretical ex-rights price
"USD"	:	United States Dollar
"VSB"	:	Vendalon Sendirian Berhad (Company No. 406127-V)
"VWAP"	:	Volume weighted average market price
"Warrant(s) A"	:	Warrants 2009/2019 as constituted by the Deed Poll 2009, which will expire on 4 November 2019, which includes the Outstanding Warrants A and where the context so requires the Adjustment Warrants A
"Warrant(s) B"	:	Up to 3,079,077,389 free detachable new Warrants 2015/2020 to be issued pursuant to the Rights Issue and Private Placement

All references to "our Company" and "Hubline" in this Abridged Prospectus are made to Hubline Berhad and references to "our Group" or "Hubline Group" are made to our Company and our subsidiary companies. All references to "we", "us", "our" and "ourselves" are made to our Company, or where the context requires, our Group or any of our subsidiary companies. All references to "you" in this Abridged Prospectus are made to our Entitled Shareholders.

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Abridged Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Abridged Prospectus shall be a reference to Malaysian time, unless otherwise specified.

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APPENDICES

Company No. 23568-H

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name	Address	Nationality	Occupation
Richard Wee Liang Huat @ Richard Wee Liang Chiat *(Non-Independent Non-Executive Chairman)*	No. 33, Jalan Ong Hup Leong 93200 Kuching Sarawak	Malaysian	Company Director
Dennis Ling Li Kuang *(Chief Executive Officer/ Managing Director)*	No. 65, Jalan Tabuan 93100 Kuching Sarawak	Malaysian	Company Director
Katrina Ling Shiek Ngee *(Executive Director)*	No. 65, Jalan Tabuan 93100 Kuching Sarawak	Malaysian	Company Director
Jem Magnaye *(Non-Independent Non-Executive Director)*	No. 65, Jalan Tabuan 93100 Kuching Sarawak	Australian	Company Director
Haji Ibrahim bin Haji Baki *(Independent Non-Executive Director)*	74A, Jalan Muhibbah 93400 Kuching Sarawak	Malaysian	Company Director
Lai Lian Yee (*Independent Non-Executive Director*)	29 Jalan Hua Joo Park, Lorong 8, 93200 Kuching Sarawak	Malaysian	Company Director

AUDIT COMMITTEE

Name	Designation	Directorship
Haji Ibrahim bin Haji Baki	Chairman	Independent Non-Executive Director
Lai Lian Yee	Member	Independent Non-Executive Director
Jem Magnaye	Member	Non-Independent Non-Executive Director

COMPANY SECRETARY : Yeo Puay Huang (LS 0000577)
453, Jalan Jelutong
93350 Kuching
Sarawak

REGISTERED OFFICE / CORPORATE OFFICE : Wisma Hubline
Lease 3815 (Lot 10914)
Section 64, KTLD
Jalan Datuk Abang Abdul Rahim
93450 Kuching, Sarawak
Tel : (6082) 335 393
Website: http://www.hubline.com

CORPORATE DIRECTORY (Cont'd)

SHARE REGISTRAR	:	Securities Services (Holdings) Sdn Bhd Level 7, Menara Milenium Jalan Damanlela Pusat Bandar Damansara Damansara Heights 50490 Kuala Lumpur Tel: 603 – 2084 9000 Fax: 603 – 2094 9940 / 2095 0292
AUDITORS AND REPORTING ACCOUNTANTS	:	Messrs. Crowe Horwath (AF 1018) Chartered Accountants Kuching Office, 1st Floor, 96 Jalan Petanak, 93100 Kuching Sarawak
PRINCIPAL BANKERS	:	United Overseas Bank (Malaysia) Berhad Level 9, Wisma Bumi Raya 10, Jalan Raja Laut 50350 Kuala Lumpur
	:	PT Bank Muamalat Indonesia, Tbk Kuala Lumpur International Office Suite 1.03 - 1.05 Wisma Goldhill No. 67 Jalan Raja Chulan 50200 Kuala Lumpur
SOLICITORS	:	Messrs Tan, Goh & Associates Unit 821, 8th Floor, Block A, Lift Lobby 6 Damansara Intan, No. 1 Jalan SS 20/27 47400 Petaling Jaya, Selangor Darul Ehsan
PRINCIPAL ADVISER	:	RHB Investment Bank Berhad (19663-P) 10^{th} Floor, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur
STOCK EXCHANGE LISTING AND LISTING SOUGHT	:	Main Market of Bursa Securities

HUBLINE BERHAD

(Company No. 23568-H)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office:
Wisma Hubline
Lease 3815 (Lot 10914)
Section 64, KTLD
Jalan Datuk Abang Abdul Rahim
93450 Kuching, Sarawak

26 November 2015

Board of Directors:

Richard Wee Liang Huat @ Richard Wee Liang Chiat	*(Non-Independent Non-Executive Chairman)*
Dennis Ling Li Kuang	*(Chief Executive Officer/Managing Director)*
Katrina Ling Shiek Ngee	*(Executive Director)*
Jem Magnaye	*(Non-Independent Non-Executive Director)*
Haji Ibrahim Bin Haji Baki	*(Independent Non-Executive Director)*
Lai Lian Yee	*(Independent Non-Executive Director)*

To: The Entitled Shareholders of Hubline Berhad

Dear Sir/Madam,

RENOUNCEABLE RIGHTS ISSUE OF UP TO 6,482,268,188 NEW ORDINARY SHARES OF RM0.01 EACH IN HUBLINE ("HUBLINE SHARE(S)") ("RIGHTS SHARE(S)") AT AN ISSUE PRICE OF RM0.01 PER RIGHTS SHARE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) HUBLINE SHARE HELD, TOGETHER WITH UP TO 1,620,567,047 FREE DETACHABLE NEW WARRANTS ("WARRANT(S) B"), ON THE BASIS OF ONE (1) WARRANT B FOR EVERY FOUR (4) RIGHTS SHARES SUBSCRIBED AS AT 5.00 P.M. ON 26 NOVEMBER 2015

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1. INTRODUCTION

The shareholders of Hubline had, at an EGM held on 5 October 2015, approved the Corporate Exercises. A certified true extract of the ordinary resolutions pertaining to the Rights Issue which was passed at the said EGM, is set out in **Appendix I** of this Abridged Prospectus.

Bursa Securities had, vide its letter dated 4 September 2015, given its approval on the following:-

(i) Additional listing of and quotation for up to 6,482,268,188 Rights Shares to be issued pursuant to the Rights Issue;

(ii) Admission of the Warrants B to the official list of Bursa Securities and the initial listing of and quotation for up to 1,620,567,047 Warrants B to be issued pursuant to the Rights Issue;

(iii) Additional listing of and quotation for up to 2,917,020,684 Placement Shares to be issued pursuant to the Private Placement;

(iv) Additional listing of and quotation for up to 1,458,510,342 Warrants B to be issued pursuant to the Private Placement;

(v) Additional listing of and quotation for up to 3,079,077,389 new Hubline Shares to be issued pursuant to the exercise of the Warrants B arising from the Rights Issue and Private Placement;

(vi) Additional listing of and quotation for up to 431,907,923 Adjustment Warrants A to be issued pursuant to the adjustment made in accordance with the provisions of the Deed Poll 2009; and

(vii) Additional listing of and quotation for up to 431,907,923 new Hubline Shares to be issued pursuant to the exercise of the Adjustment Warrants A,

on the Main Market of Bursa Securities.

The abovesaid approval by Bursa Securities is subject to the following conditions:-

No.	Conditions	Status of compliance
(i)	Hubline and RHB Investment Bank must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Rights Issue and Private Placement;	Noted.
(ii)	Hubline and RHB Investment Bank to inform Bursa Securities upon the completion of the Rights Issue and Private Placement;	To be complied.
(iii)	Hubline to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue and Private Placement is completed; and	To be complied.
(iv)	Hubline is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed (pursuant to the exercise of the Warrants B) as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied.

The official listing of and quotation for the Rights Shares and Warrants B will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of the Entitled Shareholders and/or renouncee(s)/transferee(s) have been duly credited and notices of allotment have been despatched to them.

On 26 October 2015, the High Court granted an order permitting our Company to reduce the par value of our Hubline Shares from RM0.20 to RM0.01 each. The sealed order was lodged with the Companies Commission Malaysia on 2 November 2015 and accordingly, the par value reduction of Hubline Shares to RM0.01 each took effect on 2 November 2015.

Subsequently, on 12 November 2015, RHB Investment Bank had, on behalf of our Board, announced the Entitlement Date and the other relevant dates pertaining to the Rights Issue.

No person is authorised to give any information or make any representation not contained herein in connection with the Rights Issue and if given or made, such information or representation must not be relied upon as having been authorised by us or RHB Investment Bank.

YOU ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS WHICH SETS OUT THE DETAILS OF THE RIGHTS ISSUE AND RISK FACTORS ASSOCIATED WITH THE RIGHTS ISSUE. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

2. DETAILS OF THE RIGHTS ISSUE

2.1 Particulars

The Rights Issue entails an issuance of up to 6,482,268,188 Rights Shares on a renounceable basis of two (2) Rights Shares for every one (1) existing Hubline Share held, together with up to 1,620,567,047 Warrants B on the basis of one (1) Warrant B for every four (4) Rights Shares subscribed on the Entitlement Date.

The Warrants B will be immediately detached from the Rights Issue upon issuance and will be separately traded. The Warrants B will be issued in a registered form and constituted by the Deed Poll 2015.

The free Warrants B shall only be issued to the Entitled Shareholders, who subscribes for the Rights Shares pursuant to the Rights Issue. Although the Rights Shares with Warrants B are renounceable in full or in part, the Rights Shares and the Warrants B are not separately renounceable. Accordingly, the Entitled Shareholders can only renounce or subscribe for their entitlements to the Rights Shares with Warrants B in full or in part in the proportion allocated. Any Rights Shares with Warrants B not taken up or allotted for any reasons, if any, will be made available for excess application by the other Entitled Shareholders and/or their renouncee(s)/transferee(s) (if applicable) in the manner set out in Section 3.8 of this Abridged Prospectus.

In determining shareholders' entitlements under the Rights Issue, any fractional Rights Shares arising from the Rights Issue will be disregarded and shall be dealt with in a fair and equitable manner and on terms as our Board, in its absolute discretion, deem fit and expedient in order to minimise the incidence of odd lots as well as in the best interest of our Company.

As you are an Entitled Shareholder and the Hubline Shares and Warrants B are prescribed securities, your CDS Account will be duly credited with the number of Provisional Allotment which you are entitled to subscribe for in full or in part under the terms of the Rights Issue. You will find enclosed in this Abridged Prospectus, the NPA notifying you of the crediting of such securities into your CDS Account and the RSF to enable you to subscribe for the Provisional Allotment, as well as to apply for excess Rights Shares with Warrants B if you so choose to.

Any dealing in our securities will be subject to, inter-alia, the provisions of the Securities Industry (Central Depositories) Act, 1991, the Securities Industry (Central Depositories) (Amendment) Act, 1998, the Rules of Bursa Depository and any other relevant legislation. Accordingly, upon subscription, the Rights Shares with Warrants B will be credited directly into the respective CDS Accounts of the successful applicant. No physical share or warrant certificates will be issued but notices will be despatched to the successful applicant.

The notice of allotment will be despatched to you or your renouncee(s)/transferee(s) within eight (8) Market Days from the last date of acceptance and payment for the Rights Shares with Warrants B. The Rights Shares and Warrants B will then be quoted on the Main Market of Bursa Securities two (2) Market Days after the application for quotation is made to Bursa Securities.

2.2 Basis of determining and justification for the issue price of the Rights Shares

As announced on 12 November 2015, our Board has fixed the issue price of the Rights Shares at RM0.01.

The issue price of RM0.01 per Rights Share was arrived at after taking into consideration the following:-

(i) the new par value of Hubline Shares after the Par Value Reduction;

(ii) the proceeds to be raised as set out in **Section 5** of this Abridged Prospectus; and

(iii) the TERP of Hubline Shares of RM0.0114, based on the five (5)-day VWAP of Hubline Shares up to and including 11 November 2015, being the last Market Day immediately preceding the price-fixing date of RM0.0142.

The issue price of RM0.01 per Rights Share represents a discount of 12.28% to the TERP of Hubline Shares of RM0.0114, based on the five (5)-day VWAP of Hubline Shares up to and including 11 November 2015, being the last Market Day immediately preceding the price-fixing date of RM0.0142.

2.3 Basis of determining and justification for the exercise price of the Warrants B

The Warrants B attached to the Rights Shares will be issued free to the Entitled Shareholders and/or their renouncee(s)/transferee(s) who subscribe for the Rights Shares.

As announced on 12 November 2015, our Board has fixed the exercise price of the Warrants B at RM0.01 per Warrant B after taking into consideration the following:-

(i) the new par value of Hubline Shares after the Par Value Reduction; and

(ii) the TERP of Hubline Shares of RM0.0114, based on the five (5)-day VWAP of Hubline Shares up to and including 11 November 2015, being the last Market Day immediately preceding the price-fixing date of RM0.0142.

The exercise price of RM0.01 per Warrant B represents a discount of approximately 12.28% to the TERP of Hubline Shares of RM0.0114, based on the five (5)-day VWAP of Hubline Shares up to and including 11 November 2015, being the last Market Day immediately preceding the price-fixing date of RM0.0142.

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

All the Rights Shares will, upon allotment and issuance, rank *pari passu* in all respects with the then existing Hubline Shares, save and except that the Rights Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of the Rights Shares.

The new Hubline Shares to be issued arising from the exercise of Warrants B shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing Hubline Shares, save and except that the new Hubline Shares will not be entitled to any dividends, rights, allotment and/or any other distributions that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of the new Hubline Shares.

2.5 Principal terms of the Warrants B

The principal terms of the Warrants B are as follows:-

Issue size	:	Up to 3,079,077,389 Warrants B to be issued in conjunction with the Rights Issue and Private Placement
Form and denomination	:	The Warrants B, which are issued with the Rights Shares and Placement Shares, respectively, are immediately detached upon issuance and will be separately traded on Bursa Securities. The Warrants B will be issued in registered form and constituted by the Deed Poll 2015
Exercise Rights	:	Each Warrant B entitles the registered holder, at any time during the Exercise Period, to subscribe for one (1) new Hubline Share at the Exercise Price, subject to adjustments in accordance with the provisions of the Deed Poll 2015
Exercise Period	:	The Warrants B may be exercised at any time within a period of five (5) years commencing from and including the date of issuance of the Warrants B and ending at 5.00 p.m. on the Expiry Date. Any Warrants B not exercised during the Exercise Period will thereafter lapse and cease to be valid
Exercise Price	:	The exercise price of the Warrants B has been fixed by the Board at RM0.01 per Warrant B
Expiry Date	:	The day falling immediately before the fifth (5th) anniversary of the date of issuance of the Warrants B and if such date is not a market day, then on the preceding market day
Mode of exercise	:	The registered holder of a Warrant B is required to lodge an exercise form, as set out in the Deed Poll 2015, with the Company's registrar, duly completed, signed and stamped together with payment of the Exercise Price by bankers' draft or cashier's order drawn on a bank operating in Malaysia or a money order or postal order issued by a post office in Malaysia in accordance with the Deed Poll 2015
Mode of transfer	:	The Warrants B are transferrable in the manner and according to the provisions of the Deed Poll 2015, Securities Industry (Central Depositories) Act 1991 and the rules of Bursa Depository
Board lot	:	For the purpose of trading on Bursa Securities, a board lot of Warrants B shall comprise 100 Warrants B or such other multiple thereof as determined by Bursa Securities carrying the right to subscribe for 100 new Hubline Shares at any time during the Exercise Period
Listing status	:	The Company has obtained the approval from Bursa Securities, vide its letter dated 4 September 2015, for the listing of and quotation for the Warrants B and the new Hubline Shares to be issued arising from the exercise of the Warrants B
Ranking of new Hubline Shares	:	The new Hubline Shares to be issued pursuant to the exercise of the Warrants B, shall upon allotment and issue, rank *pari passu* in all respects with the then existing Hubline Shares, save and except that they will not be entitled to any dividends, rights, allotments, and/or other distributions that may be declared, made or paid, for which the entitlement date precedes the date of allotment and issuance of the new Hubline Shares

Adjustments in the exercise price and/or number of Warrants B	: The Exercise Price and/or number of unexercised Warrants B may be adjusted by the Board, in consultation with its professional advisers, in the event of alteration to the share capital of the Company, capital distribution or issue of shares or any other events in accordance with the provisions of the Deed Poll 2015
Rights in the event of winding-up, liquidation, compromise and/or arrangement	: Where a resolution has been passed for a member's voluntary winding-up of the Company, or where there is a compromise or arrangement whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one (1) or more companies, then every holder of the Warrants B shall be entitled upon and subject to the provisions of the Deed Poll 2015 at any time within six (6) weeks after the passing of such resolution for a member's voluntary winding-up of the Company or within six (6) weeks after the granting of the court order approving the compromise or arrangement, by the irrevocable surrender of his/her Warrants B to the Company, elect to be treated as if he/she had immediately prior to the commencement of such winding-up, compromise or arrangement, exercised the Exercise Rights represented by such Warrants B to the extent specified in the relevant exercise forms and be entitled to receive out of the assets of the Company which would be available in liquidation as if he/she had on such date been the holder of the new Hubline Shares to which he/she would have been entitled to pursuant to such exercise
Participating rights of the holders of Warrants B in any distribution and/or offer of further securities	: The holders of the Warrants B are not entitled to vote in any general meeting and/or to participate in any dividends and/or any other forms of distribution other than on winding-up, compromise or arrangement of Hubline as set out above and/or in any offer of further securities in Hubline unless and until the holder of the Warrants B becomes a shareholder of Hubline by exercising his/her Warrants B into new Hubline Shares or unless otherwise resolved by Hubline in a general meeting
Modification	: Save for manifest error, any modification, amendment, deletion or addition to the Deed Poll 2015 shall require the approval of the holders of Warrants B sanctioned by special resolution and may be effected only by a deed poll, executed by Hubline and expressed to be supplemental to Deed Poll 2015 and subject to the approval of the relevant authorities, if necessary
Governing Law	: Laws and regulations of Malaysia

2.6 Details of other corporate exercises

As at the LPD, save for the Rights Issue (which is the subject matter of this Abridged Prospectus) and the Private Placement, our Board confirms that there is no other outstanding corporate exercise which we intend to undertake which has been announced but pending completion.

3. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION

3.1 General

If you are an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Allotment, which you are entitled to subscribe for in full or in part under the terms of the Rights Issue. You will find enclosed together with this Abridged Prospectus, the NPA notifying you of the crediting of such Provisional Allotment into your CDS Account and the RSF to enable you to subscribe for the Provisional Allotment, as well as to apply for excess Rights Shares with Warrants B if you choose to do so.

3.2 NPA

The Provisional Allotment are prescribed securities pursuant to Section 14(5) of the Securities Industry (Central Depositories) Act, 1991 and therefore, all dealings in the Provisional Allotment will be by book entries through CDS Accounts and will be governed by the Securities Industry (Central Depositories) Act, 1991, the Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository. You and/or your renouncee(s)/transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making your applications.

3.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Allotment is at **5.00 p.m. on 11 December 2015**, or such extended date and time as our Board may decide at its absolute discretion. Where the closing date of the acceptance is extended from the original closing date, the announcement of such extension will be made not less than two (2) Market Days before the original closing date.

3.4 Procedure for full acceptance and payment

Acceptance and payment for the Provisional Allotment by you as an Entitled Shareholder or your renouncee(s)/transferee(s) (if applicable) must be made on the RSF enclosed together with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in these documents. Acceptances which do not conform to the terms of this Abridged Prospectus, NPA or RSF or the notes and instructions contained in these documents or which are illegible may not be accepted at the absolute discretion of our Board.

FULL INSTRUCTIONS FOR THE ACCEPTANCE AND PAYMENT FOR THE PROVISIONAL ALLOTMENT, EXCESS APPLICATION FOR THE RIGHTS ISSUE AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU WISH TO SELL/TRANSFER ALL OR ANY PART OF YOUR ENTITLEMENT ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF.

YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS PRINTED THEREIN CAREFULLY.

You or your renouncee(s)/transferee(s) (if applicable) who are accepting the Provisional Allotment are required to fill and complete the RSF in accordance with the notes and instructions provided therein. Each completed and signed RSF together with the relevant payment must be despatched by **ORDINARY POST**, **COURIER** or **DELIVERY BY HAND**, at your own risk, in the self-addressed envelope provided, to our Share Registrar at the following address:-

Securities Services (Holdings) Sdn Bhd

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel: 603 – 2084 9000
Fax: 603 – 2094 9940 / 2095 0292

so as to arrive not later than **5.00 p.m. on 11 December 2015**, being the last time and date for acceptance and payment, or such extended time and date as may be determined and announced by our Board at its absolute discretion. A reply envelope is enclosed in this Abridged Prospectus. In order to facilitate the processing of the RSF by the Share Registrar for the Rights Issue, you are advised to use one (1) reply envelope for each completed RSF.

One (1) RSF can only be used for acceptance of Provisional Allotment standing to the credit of one (1) CDS Account. Separate RSF must be used for the acceptance of Provisional Allotment standing to the credit of more than one (1) CDS Account. If successful, the Rights Shares with Warrants B subscribed by you or your renouncee(s)/transferee(s) (if applicable) will be credited into the respective CDS Accounts where the Provisional Allotment is standing to the credit.

You and/or your renouncee(s)/transferee(s) (if applicable) should take note that a trading board lot for the Rights Shares with Warrants B will comprise 100 Rights Shares and 100 Warrants B each respectively. Successful applicants of the Rights Shares will be given free attached Warrants B on the basis of one (1) Warrants B for every four (4) Rights Shares successfully subscribed for. The minimum number of Rights Share that can be subscribed for or accepted is one (1) Rights Share which will be accompanied by 0.25 Warrants B. Please note that the minimum of Warrants B that can be issued and allotted with the accepted Rights Share is one (1) Warrant B. Fractions of a Rights Share and Warrant B will be disregarded and shall be dealt with in such manner as our Board in its absolute discretion deem fit and expedient, and to be in the best interests of our Company.

If acceptance and payment for the Provisional Allotment by you and/or your renouncee(s)/transferee(s) (if applicable) is not received by our Share Registrar by **5.00 p.m. on 11 December 2015**, being the last date and time for acceptance and payment, or any other extended date and time as may be determined and announced by our Board not less than two (2) Market Days before the stipulated time and date at its discretion, you and/or your renouncee(s)/transferee(s) (if applicable) will be deemed to have declined the Provisional Allotment made to you and/or your renouncee(s)/transferee(s) and it will be cancelled. Such Rights Shares with Warrants B not taken up will be allotted to the applicants applying for excess Rights Shares with Warrants B, including the parties under the Additional Undertakings. Proof of time of postage shall not constitute proof of time of receipt by the Share Registrar. Our Board reserves the right not to accept or to accept in part only any application without providing any reasons.

You and/or your renouncee(s)/transferee(s) (if applicable) who lose, misplace or for any other reasons require another copy of the RSF may obtain additional copies from your stockbrokers, Bursa Securities' website (http://www.bursamalaysia.com), our Share Registrar at the address stated above or our registered office.

EACH COMPLETED RSF MUST BE ACCOMPANIED BY REMITTANCE MADE IN RM FOR THE FULL AMOUNT IN THE FORM OF BANKER'S DRAFT(S), CASHIER'S ORDER(S), MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "HUBLINE RIGHTS ISSUE ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH THE NAME, ADDRESS AND CDS ACCOUNT OF THE APPLICANT IN BLOCK LETTERS TO BE RECEIVED BY OUR SHARE REGISTRAR.

APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RIGHTS SHARES WITH WARRANTS B, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND FORWARDED BY ORDINARY POST TO THEM OR THEIR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE.

APPLICANTS SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

WHERE AN APPLICATION IS NOT ACCEPTED OR ACCEPTED ONLY IN PART, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPATCHED TO THE APPLICANTS WITHIN FIFTEEN (15) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT THE APPLICANTS' OWN RISK.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

3.5 Procedure for part acceptance

You can accept part of your Provisional Allotment. The minimum number of securities that can be subscribed for or accepted is one (1) Rights Share for every two (2) existing Hubline Shares held.

You must complete Part I(A) and II of the RSF by specifying the number of Rights Shares with Warrants B which you are accepting and deliver the completed RSF together with the relevant payment to our Share Registrar, in the same manner as set out in **Section 3.4** of this Abridged Prospectus.

The portion of the Provisional Allotment that have not been accepted shall be allotted to any other persons allowed under the laws, regulations or rules to accept the transfer of the Provisional Allotment who have made excess application(s) as set out in **Section 3.8** of this Abridged Prospectus.

3.6 Procedure for sale or transfer of Provisional Allotment

As the Provisional Allotment are a prescribed security, you may sell or transfer all or part of your entitlement to the Rights Shares with Warrants B to one (1) or more person(s) through your stockbrokers without first having to request for a split of the Provisional Allotment standing to the credit of your CDS Accounts. To dispose all or part of your entitlement to the Rights Shares with Warrants B, you may sell such entitlement on the open market or transfer to such persons as may be allowed pursuant to the Rules of Bursa Depository.

In selling or transferring all or part of your Provisional Allotment, you and/or your renouncee(s)/transferee(s) (if applicable) need not deliver any document including the RSF, to any stockbroker. However, you and/or your renouncee(s)/transferee(s) (if applicable) must ensure that there is sufficient Provisional Allotment standing to the credit of your CDS Accounts that are available for settlement of the sale or transfer.

If you have sold or transferred only part of your Provisional Allotment, you may still accept the balance of your Provisional Allotment by completing the RSF. Please refer to **Section 3.4** of this Abridged Prospectus for the procedure on acceptance and payment.

Purchaser(s) or transferee(s) of the Provisional Allotment may obtain a copy of this Abridged Prospectus and the RSF from their stockbrokers or from our Share Registrar as stated above. This Abrdiged Prospectus and RSF are also available on Bursa Securities' website (http://www.bursamalaysia.com).

3.7 Procedure for acceptance by renouncee(s)/transferee(s)

Renouncee(s)/transferee(s) who wish to accept the Provisional Allotment must obtain a copy of the RSF from their stockbrokers, our Share Registrar, or at our registered office or from the Bursa Securities' website (http://www.bursamalaysia.com) and complete the RSF, submit the same together with the remittance in accordance with the notes and instructions printed therein.

The procedure for acceptance and payment applicable to the Entitled Shareholders as set out in **Section 3.4** of this Abridged Prospectus also applies to renouncee(s)/transferee(s) who wish to accept the Provisional Allotment.

RENOUNCEE(S)/TRANSFEREE(S) ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND RSF CAREFULLY.

3.8 Procedure for excess application

As an Entitled Shareholder, you and/or your renouncee(s)/transferee(s) (if applicable) may apply for excess Rights Shares with Warrants B in addition to the Provisional Allotment to you and/or your renouncee(s)/transferee(s) by completing Part I(B) of the RSF (in addition to Part I(A) and II) and forward it (together with a **separate remittance** for the full amount payable in respect of the excess Rights Shares with Warrants B applied for) to our Share Registrar at the address set out above, so as to arrive **not later than 5.00 p.m. on 11 December 2015**, being the last time and date for acceptance and payment, or such extended time and date as may be determined and announced by our Board at its absolute discretion.

Payment for the excess Rights Shares with Warrants B applied for should be made in the same manner as described above, except that the Banker's Draft(s), Cashier's Order(s), Money Order(s) or Postal Order(s) drawn on a bank or post office in Malaysia crossed **"A/C PAYEE ONLY"** and made payable to **"HUBLINE EXCESS RIGHTS ISSUE ACCOUNT"** and endorsed on the reverse side with the name, address and CDS Account of the applicant in block letters to be received by our Share Registrar.

Our Board reserves the right to allot the excess Rights Shares with Warrants B applied for under Part I(B) of the RSF, in a fair and equitable basis and in such manner as they deem fit and expedient. As such, it is the intention of our Board to allot the excess Rights Shares with Warrants B in the following priority:-

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

(ii) secondly, for allocation to the Entitled Shareholders who have applied for excess Rights Shares with Warrants B on a pro-rata basis and in board lot, calculated based on their respective shareholdings as per their CDS account in our Company as at the Entitlement Date;

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

(iv) finally, for allocation to renouncee(s)/transferee(s) who have applied for excess Rights Shares with Warrants B on a pro-rata basis and in board lot calculated based on the quantum of their respective excess Rights Shares with Warrants B applied for.

In the event of any excess Rights Shares with Warrants B balance after the above allocations are completed, the balance will be allocated in the processes set out in (ii) to (iv) above.

Nevertheless, our Board reserves the right to allot any excess Rights Shares with Warrants B applied under Part I(B) of the RSF in such manner as it deems fit and expedient and in the best interest of our Company subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board set out in **Section 3.8(i)-(iv)** of this Abridged Prospectus are achieved. Our Board also reserves the right to accept the excess Rights Shares with Warrants B application, in full or in part, without assigning any reason.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS RIGHTS SHARES WITH WARRANTS B. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED WITH THEIR RIGHTS SHARES WITH WARRANTS B, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND FORWARDED BY ORDINARY POST TO THE APPLICANTS AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS B.

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL EXCESS RIGHTS SHARES WITH WARRANTS B APPLICATIONS, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST TO THE APPLICANTS WITHIN FIFTEEN (15) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS B BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT THE APPLICANTS' OWN RISK.

3.9 Form of issuance

Bursa Securities have already prescribed Hubline's Shares listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares and Warrants B are prescribed securities and as such, the Securities Industry (Central Depositories) Act, 1991, Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository shall apply in respect of the dealings in the Rights Shares and Warrants B.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected. No physical share or warrant certificate shall be issued to you under the Rights Issue. Instead, the Rights Shares with Warrants B will be credited directly into your CDS Accounts.

The notices of allotment will be issued and forwarded to you by ordinary post at your own risk to the address shown in the Record of Depositors provided by Bursa Depository within eight (8) Market Days from the last time and date for acceptance and payment of the Rights Issue.

Any person who intends to subscribe for the Rights Shares with Warrants B as a renouncee/transferee by purchasing the Provisional Allotment from an Entitled Shareholder will have his Rights Shares with Warrants B credited directly as prescribed securities into his CDS Account.

The excess Rights Shares with Warrants B, if allotted to the successful applicant who applied for excess Rights Shares with Warrants B, will be credited directly as prescribed securities into his CDS Account.

3.10 Laws of foreign jurisdictions

This Abridged Prospectus, and the accompanying NPA and RSF have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any foreign jurisdiction. The Rights Issue will not be made or offered in any foreign jurisdiction.

Foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue only to the extent that it would be lawful to do so.

RHB Investment Bank, other experts, our Company and our Board and officers would not, in connection with the Rights Issue, be in breach of the laws of any jurisdiction to which the foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) are or may be subject to. Foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) shall solely be responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject to. RHB Investment Bank, other experts, our Company and our Board and officers shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any foreign Entitled Shareholders or renouncee(s)/transferee(s) (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction.

Accordingly, this Abridged Prospectus together with the accompanying documents will not be sent to the foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) may collect this Abridged Prospectus including the accompanying documents from our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the aforesaid documents.

The foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such jurisdiction and we shall be entitled to be fully indemnified and held harmless by such foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) for any issue, transfer or other taxes or duties as such person may be required to pay. They will have no claims whatsoever against us or RHB Investment Bank in respect of their rights and entitlements under the Rights Issue. Such foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue.

By signing any of the forms accompanying this Abridged Prospectus, the NPA, and the RSF, the foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) RHB Investment Bank, other experts, our Company and our Board and officers that:-

(i) we would not, by acting on the acceptance or renunciation in connection with the Rights Issue, be in breach of the laws of any jurisdiction to which that foreign Entitled Shareholders or renouncee(s)/transferee(s) (if applicable) are or may be subject to;

(ii) they have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation;

(iii) they are not a nominee or agent of a person in respect of whom we would, by acting on the acceptance or renunciation, be in breach of the laws of any jurisdiction to which that person is or may be subject to;

(iv) they are aware that the Rights Shares with Warrants B can only be transferred, sold or otherwise disposed off, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;

(v) they have respectively received a copy of this Abridged Prospectus and have had access to such financial and other information and have been afforded the opportunity to pose such questions to the representatives of our Company and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights Shares with Warrants B; and

(vi) they have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares with Warrants B, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares with Warrants B.

Persons receiving this Abridged Prospectus, NPA and RSF (including without limitation custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any jurisdiction where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If this Abridged Prospectus, NPA and RSF are received by any persons in such jurisdiction, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant jurisdiction in connection herewith.

Any person who does forward this Abridged Prospectus, NPA and RSF to any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section and we reserve the right to reject a purported acceptance of the Rights Shares with Warrants B from any such application by foreign Entitled Shareholders or their renouncee(s)/transferee(s) (if applicable) in any jurisdiction other than Malaysia.

Our Company reserves the right, in its absolute discretion, to treat any acceptance of the Rights Shares with Warrants B as invalid if it believes that such acceptance may violate any applicable legal or regulatory requirements in Malaysia.

4. RATIONALE FOR THE RIGHTS ISSUE

The recently completed Par Value Reduction coupled with this current Rights Issue exercise is an integral part of our Group's plan to rationalise our financial position following our exit from the container shipping business as announced on 18 February 2015. In addition, our Board is of the view that the Rights Issue is currently the most appropriate avenue of raising funds for the Hubline Group, after taking into consideration, amongst others, the following:-

(i) to enable our Company to raise funds for working capital purposes as well as to repay credit facilities from banks/financial institutions;

(ii) to issue new Hubline Shares without diluting the existing shareholders' equity interest, assuming all the shareholders fully subscribe for their respective entitlements;

(iii) to provide an opportunity for the existing shareholders to further participate in the equity of our Company, and correspondingly in our Group's prospects after exiting the container shipping industry by discontinuing the container shipping operations carried out by our Container Business Subsidiaries, further details of which is disclosed in **Section 7.3** of this Abridged Prospectus; and

(iv) the Warrants B is intended to enhance the attractiveness of the Rights Issue as it provides the shareholders with an opportunity to further increase their equity participation when they exercise their Warrants B, which may also generate proceeds for our Company's future working capital.

5. UTILISATION OF PROCEEDS

The Rights Issue is expected to raise estimated gross proceeds of up to approximately RM64.82 million based on the issue price of RM0.01 per Rights Share. The proceeds are expected to be utilised in the following manner:-

Details of utilisation	Minimum Subscription Level RM'000	Maximum Scenario RM'000	Timeframe for the utilisation of proceeds
Repayment of credit facilities from bank(s)/financial institution(s)(1)	16,500	33,000	Commencing immediately and within one (1) year from the listing of the Rights Shares
Working capital purposes(2)	15,160	30,213	Commencing immediately and within two (2) years from the listing of the Rights Shares
Estimated expenses in relation to the Corporate Exercises(3)	800	1,610	Commencing immediately and within one (1) month from the listing of the Rights Shares
Total	**32,460**	**64,823**	

Notes:-

(1) The total borrowings of our Group as at the LPD is approximately RM195.71 million. Our Company has earmarked approximately RM16.5 million and RM33.0 million based on the Minimum Subscription Level and Maximum Scenario for the repayment of credit facilities from bank(s)/financial institution(s). The details on the breakdown of our Group's repayment of credit facilities from bank(s)/financial institution(s) based on the Minimum Subscription Level and Maximum Scenario are as follows:-

				Minimum Subscription Level			Maximum Scenario		
	Total bank borrowings as at the LPD			Amount to be repaid from the proceeds raised			Amount to be repaid from the proceeds raised		
Type of Facility	Container Shipping Business (RM'000)	Dry Bulk Business (RM'000)	Total (RM'000)	Container Shipping Business (RM'000)	Dry Bulk Business (RM'000)	Total (RM'000)	Container Shipping Business (RM'000)	Dry Bulk Business (RM'000)	Total (RM'000)
Overdraft[(a)]	2,690	-	2,690	1,490	-	1,490	2,690	-	2,690
Revolving credit[(a)]	9,681	-	9,681	500	-	500	1,500	-	1,500
Bankers Acceptance[(a)]	32,477	10,097	42,574	5,143	-	5,143	5,547	-	5,547
Term loan[(b)]	109,247	13,605	122,852	6,667	1,500	8,167	17,263	3,000	20,263
Hire purchase / Finance lease[(b)]	17,915	-	17,915	1,200	-	1,200	3,000	-	3,000
Total	172,010	23,702	**195,712**	15,000	1,500	**16,500**	30,000	3,000	**33,000**

Notes:-

(a) The purpose of the facility is for working capital purposes.

(b) The purpose of the facility is for capital acquisition purposes.

*Based on our Group's average finance cost of approximately 6.5% per annum, the annual finance cost savings to our Group arising from the repayment of the outstanding borrowings is approximately RM1.07 million and RM2.15 million based on the Minimum Subscription Level and Maximum Scenario, respectively. The breakdown of our Group's borrowings as at the LPD is set out in **Section 10.2** of this Abridged Prospectus.*

(2) *The proceeds for working capital will be utilised to finance our Group's day-to-day operations and payments to creditors which include, amongst others, the following:-*

Working capital requirements	*Minimum Subscription Level* *RM'000*	*Maximum Scenario* *RM'000*
Trade creditors, dry docking expenses and fleet maintenance expenses	*14,000*	*29,000*
General expenses (i.e. administrative and overhead expenses including annual compliance costs inter alia annual reports preparation, printing and training etc.)	*1,160*	*1,213*
Total	***15,160***	***30,213***

The breakdown of proceeds to be utilised for the working capital is merely an estimate at this juncture, the actual proceeds to be utilised for working capital may differ subject to the operating requirements at the time of utilisation.

(3) *If the actual expenses are higher than budgeted, the deficit will be funded out of the portion allocated for working capital. Conversely, if the actual expenses are lower than budgeted, the excess will be utilised for working capital purposes.*

Pending utilisation of the proceeds from the Rights Issue for the above purposes, the proceeds will be placed with financial institutions and/or short term money market instruments. The interest derived from the deposits with financial institutions or any gains arising from the short term money market instruments will be used for our Group's working capital requirements.

The proceeds to be raised from the exercise of the Warrants B are dependent on the total number of Warrants B exercised during the tenure of the warrants. The proceeds from the exercise of the Warrants B will be received on an "*as and when basis*" over the exercise period of the warrants. The proceeds to be raised upon full exercise of Warrants B based on the indicative exercise price of RM0.01 per Warrant B is approximately RM30.79 million. Such proceeds will be utilised for the working capital requirements of our Group.

6. RISK FACTORS

You and/or your renouncee(s)/transferee(s) (if applicable) should carefully consider the following risk factors (which may not be exhaustive) which may have an impact on the future performance of our Group, in addition to other information contained elsewhere in this Abridged Prospectus, before subscribing for or investing in the Rights Issue.

6.1 Risks relating to our Group

(i) Exit from the container business

On 18 February 2015, our Group announced its intention to exit the container shipping industry by discontinuing our container shipping operations carried out by our Container Business Subsidiaries ("**Exit of Container Business**"). The Exit of Container Business involves the withdrawal of the Container Business Subsidiaries from various trade routes, termination of related service and operation contracts, as well as the disposal of container shipping related assets.

The decision to exit from the container shipping industry was arrived at after taking into consideration amongst others, the depressed freight rates, the economic crisis and overcapacity in the container shipping industry which have resulted in the losses incurred by our container shipping division over the last few years. Furthermore, a continued participation in the container shipping industry without immediate turnaround in the industry landscape will have adverse effects on the profitable operations of our dry bulk shipping business ("**Dry Bulk Business**").

Following the Exit of Container Business, our Group had resolved to focus our efforts solely on our Dry Bulk Business which we believe is a viable and sustainable division with good prospects of future growth. Furthermore, our Group has witnessed a gradual increase in revenue contribution from our Dry Bulk Business in recent years. For the past two (2) audited FYE 30 September 2014 and unaudited twelve (12) months FYE 30 September 2015, our Dry Bulk Business contributed approximately RM82.2 million, RM90.3 million and RM102.3 million to our total revenue, respectively. Hence, the Exit of Container Business will allow our Group to focus on the growth of our Dry Bulk Business without being challenged by the pressures of subsidising our container shipping division. Further details on the prospect of our Dry Bulk Business are disclosed in **Section 7.3** of this Abridged Prospectus.

However, there is no guarantee that our Board's intention to shift towards our Dry Bulk Business will yield the benefits as anticipated as the success of our Dry Bulk Business is dependent on many external factors which may be beyond the control of our Group, including but not limited to supply and demand of major commodities, overall macroeconomic conditions in countries we operate as well as the development of world trade.

Nevertheless, our Group shall endeavour to keep abreast with the latest development in the dry bulk industry and general economic conditions to enable our Board to take appropriate measures it deems fit to mitigate the risk. Concurrently with the Exit of Container Business, our Board had also resolved to undertake the Corporate Exercises as part of our efforts to rationalise our financial position and enable our Company to adequately restructure our operations to focus on our Dry Bulk Business and exit the container business in an orderly manner. Notwithstanding the above, there is no assurance that any changes to the abovementioned factors affecting the Dry Bulk Business, will not materially affect our Group's business and financial conditions and that the plans and objectives of the rationalisation plans of our Group will be achieved.

(ii) Litigation risk

Concurrently with the Exit of Container Business, Hub Shipping had on 18 February 2015 obtained a restraining order pursuant to Section 176(10) of the Act to restrain any and all proceedings and/or actions and/or further proceedings in any suits and/or proceedings and/or actions against Hub Shipping and/or in respect of Hub Shipping and/or its assets and/or assets employed in its business, which was further extended on various occasions, with the last extension having expired on 16 September 2015.

Our Company had on 2 April 2015 obtained a restraining order pursuant to Section 176(10) of the Act to restrain any and all proceedings and/or actions and/or further proceedings in any suits and/or proceedings and/or actions against our Company and/or in respect of our Company and/or its assets and/or assets employed in its business, which was further extended on various occasions, with the current order expiring on 29 December 2015.

Following our decision to Exit the Container Business, several of our Container Business Subsidiaries (including Hub Shipping) have received various claims, including notices of winding-up, winding-up petition and writs summons from third parties. As at the LPD, Hub Shipping has received a winding-up petition. In additional several of our Container Business Subsidiaries have received several winding-up notices pursuant to Section 218 of the Act. The details of such winding-up petition and notices are set out in **Appendix VII, Section 5** of this Abridged Prospectus.

Our Board is of the view that the financial and operational impact of such claims and petitions for winding-up of our Container Business Subsidiaries, whether pending or threatened, on our Group is not significant as our Group is in the midst of discontinuing the container shipping operations where our Company has already fully provided for the impairment of the total cost of investment in the Container Business Subsidiaries.

Notwithstanding the aforesaid, in view that our Company has provided securities and/or being the corporate guarantor for several borrowings and debt obligation of our Container Business Subsidiaries, upon the expiry of the restraining order obtained by Hubline and in the event Hubline is unable to obtain any further extension(s) of the restraining order and/or fails to restructure and/or settle our various obligations arising from such borrowings and debt obligations, such creditors of any of the Container Business Subsidiaries may initiate legal or enforcement proceedings and acceleration of payment against our Group, which may have an adverse effect on our business, financial condition and results of operations.

Our Group takes cognizance of this matter and will take effective measures to mitigate the aforementioned risk by entering into negotiations, restructuring of debts and/or agreement with the respective creditors in order to achieve an amicable solution for any outstanding payments, if the above-mentioned claims and future potential claims, if any, are proven true. Further, our Group will contest any claims that are unsubstantiated.

(iii) Business and operational risks

Our Company is an investment holding company while our subsidiary companies are principally engaged in the provision of shipping services. Our Group is subject to risks inherent in the shipping industry which includes, but is not limited to fluctuations to charter rates, increases in the cost of labour, unforeseen breakdown of vessels and equipment, threat of competition, increases in port tariff, lengthy quarantines and severe weather conditions at land and sea.

Although, our Group seeks to limit these risks through, *inter-alia,* providing good service, maintaining a large client base, maintaining good business relationships, exploring new or additional shipping routes, effective human resource management, close supervision of the shipping line and effective cost control policy, no assurance can be given that any change to these factors will not have a materially adverse effect on our Group's business.

(iv) Fluctuation in freight rates and charter rates

The shipping industry has traditionally experienced fluctuations in freight rates and charter rates, which are in turn dependent on the demand for and supply of shipping capacity. These rate fluctuations may contribute to the volatility of our Group's financial performance where a decrease in demand for shipping services or an increase in supply of shipping capacity may result in an adverse impact on the financial performance of our Group.

The demand for shipping services would depend on factors such as global consumption for goods and services, trade activities, changes in seaborne and other transportation patterns, seasonal and weather conditions, port congestion and political uncertainties. The supply factors would include the total number of vessels in operating condition as well as new vessels to be delivered taking into consideration the tonnage to be scrapped.

Despite the challenging market conditions, we continuously seek to limit and mitigate these risks through the implementation of prudent business strategies, operating in niche/smaller ports and where demand for our services are relatively resilient, putting in place plans to expand in both existing and new markets and maintaining good working relationships with our customers. However, there can be no assurance that fluctuations in freight and charter rates would not have any material adverse impact on our Group's business.

(v) **Unexpected vessel breakdown and accidents**

The breakdown of vessels and the occurrence of accidents may result in down-time and substantial cost being incurred. Although we have insured our vessels for damage repair works caused by accidents and certain unforeseeable events, earnings may still be affected should there be prolonged delays in repair works.

However, as our existing fleet of vessels are reasonably well maintained and managed, such unexpected repair costs and downtime should be minimal. In addition, continuous preventive maintenance conducted on our vessels with additional attention to performance and safety will assist us in reducing the occurrence of unexpected repair costs due to breakdowns or accidents. As at the LPD, our Company has not experienced any breakdown of vessels and accidents that had materially affected the business of our Group.

(vi) **Borrowings and fluctuations in interest rates**

Our Group has borrowings including term loans, bills payable and banker's acceptance, overdraft and revolving credit facilities and hire purchase. As at the LPD, our Group had total outstanding borrowings of approximately RM195.71 million which are interest-bearing, details of which are disclosed in **Section 10.2** of this Abridged Prospectus. As disclosed in **Section 5** of this Abridged Prospectus, our Group intends to utilise part of the proceeds from the Rights Issue amounting to approximately up to RM33.0 million for the repayment of credit facilities from financial institutions. Our Group's finance costs based on the audited accounts as at 30 September 2014 amounted to approximately RM12.87 million. Interest charged on bank borrowings is dependent on prevailing interest rates, and is hence subject to future fluctuations of interest rates which could materially affect our Group's profitability.

In addition, the agreements for loan facilities and securities in relation thereto, contain covenants which may limit our Group's operating and financing flexibility, as certain plans and/or proposals may be restricted or require the consent of the relevant financial institution. A breach of such covenants may result in the termination and/or enforcement of certain provisions granted for the relevant credit facility including risk of enforcement of security over vessels charged and/or other securities provided.

Our Group is aware of such risks, and hence, shall take all necessary precautions to prevent any breach of our financial obligations, whilst adhering to strict financial management practices and prudent cash flow policies. Nevertheless, there can be no assurance that the performance of our Group would remain favourable in the event of any adverse changes in interest rates.

(vii) Specific regulations pertaining to the shipping industry

Our Group's operation are affected by a variety of international conventions and regulations as well as national laws in force in the jurisdiction in which our Group operates and in the countries in which our Group's vessels are currently being registered. These conventions and regulations may change in the future. The impact of these regulations can increase the cost of operating vessels or even preclude the operation of vessels in certain trades, both of which may have a material adverse impact on our Group's profitability.

If local or international regulations applicable to our Group become more stringent in future or additional regulations or control requiring the adoption of new requirements are introduced such that we cannot satisfy in a cost-efficient manner or we are unable to pass all or part of any additional costs to our customers, it may have a material adverse impact on our Group's profitability.

Whilst our Group continues to take measures such as prudent financial management and efficient operating procedures and we continue to review our business development and operational strategies in response to changes in geopolitical and economic conditions and regulations, no assurance can be given that adverse changes in geopolitical and economic conditions and regulations will not materially and adversely affect our Group.

(viii) Dependence on key management

Our Group believes that our continued success will depend to a certain extent upon the abilities and continued efforts of our Directors and key management personnel, who have in-depth knowledge and experience in the industry we currently operate in. To ensure smooth succession planning, efforts have been made by our Company to promote long-term commitment amongst our key management personnel through incentives and opportunities for career development within our Group.

The loss of any of our Directors and/or key members of our senior management without suitable and timely replacement may adversely affect our continued ability to compete effectively in the industry. Our Group's future success will also depend upon our ability to attract and retain skilled personnel. Our Group also continuously reviews our remuneration packages to ensure competitiveness and takes appropriate measures and programmes to attract new personnel as well as to retain existing staff. However, we cannot provide any assurance that the above measures will be successful in attracting and retaining our key management personnel or ensuring a smooth transition should changes occur.

6.2 Risks relating to the Rights Issue

(i) Market price of the Rights Shares and the Warrants B

The market price of our Shares is influenced by, amongst others, the prevailing market sentiment, the volatility of the stock market, movements in interest rates and the outlook of the industry which we operate and our financial performance. As such, there can be no assurance that the market price of our Shares upon or subsequent to the listing of the Rights Shares will trade above the issue price of RM0.01 per Rights Share.

The value of the Warrants B is dependent upon, amongst others, the market price of our Shares, remaining exercise period of the Warrants B, volatility of our share price and potential future payments of dividend. If the market price of our Shares is higher than the exercise price of the Warrants B, the Warrants B are deemed to be *"in-the-money"* during their exercise period.

Furthermore, you are reminded that should the Warrants B expire at the end of its tenure, it will lapse and cease to be valid and hence, will no longer have any value.

(ii) Delay in or abortion of the Rights Issue

There is a risk that the Rights Issue may be aborted or delayed on the occurrence of material adverse change of events/circumstances, which are beyond the control of our Company and RHB Investment Bank, arising during the implementation of the Rights Issue.

In this respect, our Company will exercise its best endeavours to ensure the successful implementation of the Rights Issue. However, there can be no assurance that the abovementioned factors/events will not cause a delay in or abortion of the Rights Issue. In the event that the Rights Issue is aborted, our Company will repay without interest all monies received from the applicants and in the event the monies are not repaid within 14 days after our Company becomes liable to repay it, we shall repay the monies with interest at the rate of ten per centum per annum in accordance with Section 243(2) of the CMSA.

(iii) Potential dilution in shareholding

Entitled Shareholders who do not and are not able to accept their Provisional Allotment will have their proportionate ownership and voting interest in our Company reduced and the percentage of our enlarged issued and paid-up share capital represented by their holdings of our Shares will also be reduced accordingly. Pursuant thereto, their proportionate entitlement to any dividends, rights, allotments and/or other distributions that we may declare, make or pay will correspondingly be diluted.

6.3 Other risks

(i) Economic, political and regulatory risks

Our financial and business prospects depend to a certain extent on the development in the political, economic and regulatory front in Malaysia, regional and/or other countries which we have business links with. Amongst the political, economic and regulatory factors are global economic slowdown, war, changes in political leadership, changes in government policy such as introduction of new regulations, changes in interest rates and method of taxation and currency rules.

Although we seek to limit these risks by adopting prudent management and effective operating procedure, there can be no assurance that such economic, political and regulatory uncertainties will not materially affect our Group.

(ii) Forward-looking statements

Certain statements in this Abridged Prospectus are based on historical information, which may not be reflective of the future results, and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements are based on forecasts and assumptions made by our Group and although believed to be reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, *inter alia*, the risk factors as set out in this section. In light of these and other uncertainties, the inclusion of forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company that the plans and objectives of our Group will be achieved.

7. INDUSTRY OVERVIEW AND FUTURE PROSPECTS

7.1 Overview and outlook of the Malaysian economy

The Malaysian economy grew by 5.3% in the first half of 2015, driven by resilient domestic demand. Private sector expenditure contributed 5.3 percentage points to growth. Private investment and consumption remained robust growing by 7.5% and 7.6%, respectively. On the supply side, growth was mainly driven by the services and manufacturing sectors contributing 3 and 1.1 percentage points, respectively.

On the external front, Malaysia continues to be impacted by slower global growth and regional trade. Hence, the trade performance remained subdued during the first eight months of 2015 with exports and imports contracting by 1.4% and 2%, respectively (January – August 2014: 9.5%; 6.1%). Although weighed down by weak commodity prices, the steady demand for electrical and electronic products saw exports of manufactured goods registering positive growth during the period. The current account posted a surplus of RM17.6 billion or 3.2% of Gross National Income ("**GNI**") in the first half of the year (January – June 2014: RM34.5 billion; 6.6%).

With strong economic fundamentals, including resilient domestic demand, diversified sources of growth, low unemployment rate and benign inflation coupled with pro-growth fiscal and accommodative monetary policies, real Gross Domestic Product ("**GDP**") is projected to grow between 4.5% and 5.5% in 2015 (2014: 6%). Nominal GNI is estimated to increase by 5.5% to RM1.13 trillion with income per capita rising by 4.2% to RM36,397 (2014: 8.6%, RM1.07 trillion; 7.2%, RM34,945).

The Malaysian economy is expected to remain steady in 2016, with real GDP growth between 4% and 5% led by domestic demand. Private sector expenditure will remain the main driver of growth with private consumption and investment expected to grow by 6.4% and 6.7%, respectively. Meanwhile, Government expenditure is forecast to expand, albeit at a moderate pace, in line with efforts to strengthen the fiscal position. On the supply side, growth is expected to be broad-based, with all the sectors registering positive growth. Malaysia's external position is forecast to remain positive supported by better prospects for global growth and trade.

Against this backdrop, the nominal GNI per capita is expected to increase by 5.6% from RM36,397 in 2015 to RM38,438 in 2016. With total investment surpassing savings, the savings-investment gap is expected to narrow between 0.5% and 1.5% of GNI. The economy will continue to operate under conditions of full employment with the unemployment rate remaining below 4%. Despite a weak ringgit, inflation is expected to remain benign attributed to low oil prices and the waning impact of Goods and Services Tax. For 2016, inflation is expected to range between 2% and 3%.

The Government remains committed to fiscal consolidation. The fiscal deficit is expected to further decline to 3.1% of GDP in 2016 (2015: 3.2%) while the Federal Government debt level will remain manageable within the prudent limit of 55% of GDP.

(Source: Economic Report 2015/2016, Ministry of Finance Malaysia)

7.2 Industry Outlook

In the first half of 2015, the transport and storage subsector expanded further by 5.6% (January – June 2014: 4.8%) attributed to higher highway, port and airport operations. The water transport segment rebounded by 1.2% (January – June 2014: -2.9%) on account of stronger port activities. This is reflected in the improvement in the freight segment with cargo services posting a positive growth. Total container throughput in major ports* grew by 8.4% to 11.6 million twenty-foot equivalent units ("**TEU(s)**") (January – June 2015: 5.1%: 10.7 million TEUs).

In addition, Port Klang and Port of Tanjung Pelepas ("**PTP**") registered higher volumes at 5.8 million TEUs and 4.4 million TEUs) accounting for 50% and 38.4% of total container throughput, respectively (January – June 2014: 49.4%; 38.2%). Port Klang and PTP, the leading container ports in the country, continued to be ranked among the world's top 20 container ports. According to the Containerisation International Report, in terms of total TEUs handled in 2014, Port Klang ranked at 12th while PTP ranked at 18th position. Moving forward, several initiatives including the Logistics and Trade Facilitation Masterplan ("**LTFM**") launched in March this year, to improve the last-mile connectivity to Port Klang and a new queuing system at PTP, are expected to enhance port operations, cargo clearance and container services in the future.

The services sector is projected to grow by 5.4% in 2016 (2015: 5.7%), increasing its share to 54% of GDP (2015: 53.8%) with all subsectors continuing to expand. The transport and storage subsector is projected to expand by 5% (2015: 5.4%) contributed by the expansion in port and rail services as well as improved bus services.

(Source: Economic Report 2015/2016, Ministry of Finance Malaysia)

Through the implementation of LTFM, the contribution from Malaysia's transport and storage sub-sector is expected to increase to 4.3% in 2020 from 3.6% in 2013, an estimated increase of RM22.2 billion. The cargo volume is projected to grow 8% annually to reach 880 million tonnes in 2020. Furthermore, it will generate 146,000 new jobs by 2020, mostly in the high skilled category.

(Source: Logistics and Trade Facilitation Masterplan (2015-2020, Ministry of Transport Malaysia)

Note:-

* *Major ports refers to Port Klang, PTP, Pulau Pinang, Johor, Bintulu, Kuching and Kuantan.*

7.3 Prospects of our Group

Our Group previously operated in two (2) distinct business segments of the shipping industry, namely the container shipping business and the Dry Bulk Business. Our Company had on 18 February 2015, announced our intention to discontinue our container shipping business which has been loss-making for the past few years as a result of intense competition from larger capacity container vessels and decreasing charter rates. Since the announcement on the Exit of Container Business, we have started disposing our container vessels and container-related assets and equipment which resulted in a substantial impairment charges incurred but at the same time, significantly bringing down the operating costs of the container division. By exiting the container business and focusing our efforts solely on the Dry Bulk Business, our Board is confident of returning our Group to profitability without being challenged by the pressures of subsidising our container shipping business.

Our Group has been in the Dry Bulk Business since 2007 and believes that we have the necessary expertise to maintain and grow this business segment. Our management believes that our Group is one of the leading players within our niche segment in the South East Asian region, being the provision of barge logistics services of between 8,000 metric tonnes to 10,000 metric tonnes of bulk cargoes per shipment. As at the LPD, our Group has a fleet of twenty-three (23) sets of tugs and barges that geographically operates within the Southeast Asian region, plying the trading routes of amongst others, Indonesia, Philippines, Vietnam, Cambodia and Thailand. Cargo for each voyage for each set of tug and barge varies, but largely includes bulk-based commodities such as coal, gypsum, palm kernel shells, scrap metal and sand. The routes plied by the dry bulk shipping tugs and barges are flexible and can be varied in accordance with market demand as each voyage caters to a single customer per shipment. The ability of our operations to streamline costs and maximise profitability by optimizing our routing and scheduling of cargo has allowed the division to achieve a high level of vessel utilisation whilst still successfully gaining and maintaining market share.

Our Dry Bulk Business has been profitable in recent years. For the past two (2) audited FYE 30 September 2014 and unaudited twelve (12) months FYE 30 September 2015, our Dry Bulk Business recorded revenue of approximately RM82.2 million, RM90.3 million and RM102.3 million respectively. Meanwhile, the segmental PAT from our Dry Bulk Business for the past two (2) audited FYE 30 September 2014 and unaudited twelve (12) months FYE 30 September 2015 were approximately RM14.59 million, RM9.60 million and RM14.3 million respectively. The division has successfully established various new routing opportunities and in the process, cemented long-standing relationships with various pre-existing clients as well as fresh affiliations with new clients. This has allowed our Dry Bulk Business to shift from only performing 'North-South' routes from Indonesia to Thailand, Cambodia, Vietnam, Philippines and return, to also performing 'East-West' routes from Thailand to Vietnam and Philippines and return.

Our Board expects that the Corporate Exercises being undertaken will enable our Company to rationalise our financial position and enable our Company to adequately restructure our operations and exit the container business in an orderly manner. Notwithstanding this, our Board expects 2016 to be a challenging year as our Group continues with our consolidation efforts to exit the container business and position ourselves for future growth.

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8. FINANCIAL EFFECTS OF THE RIGHTS ISSUE

The effects of the Rights Issue and Private Placement on our Company's issued and paid-up share capital, NA and gearing, consolidated earnings and EPS, and substantial shareholders' and certain Director's shareholdings are set out below:-

8.1 Issued and paid-up share capital

The proforma effects of the Rights Issue and Private Placement on the issued and paid-up share capital of our Company are as follows:-

	Minimum Subscription Level		Maximum Scenario	
	No. of Hubline Shares	*RM	No. of Hubline Shares	*RM
Issued and fully paid-up share capital of Hubline as at the LPD^	3,254,730,694	32,547,307	3,254,730,694	32,547,307
Less: Treasury Shares held by the Company	*(13,596,600)*	*(135,966)*	*(13,596,600)*	*(135,966)*
	3,241,134,094	**32,411,341**	**3,241,134,094**	**32,411,341**
Rights Shares to be issued pursuant to the Rights Issue	*3,245,961,626*	*32,459,616*	*6,482,268,188*	*64,822,682*
After the Rights Issue	**6,487,095,720**	**64,870,957**	**9,723,402,282**	**97,234,023**
Placement Shares to be issued pursuant to the Private Placement	*1,946,128,716*	*19,461,287*	*2,917,020,684*	*29,170,207*
After the Private Placement	**8,433,224,436**	**84,332,244**	**12,640,422,966**	**126,404,230**
Assuming full exercise of the Warrants B	*1,784,554,764*	*17,845,548*	*3,079,077,389*	*30,790,774*
Enlarged issued and fully paid-up share capital of Hubline	**10,217,779,200**	**102,177,792**	**15,719,500,355**	**157,195,004**

Notes:-

^ *After the Par Value Reduction and Amendments.*

* *Rounded up to the nearest RM.*

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8.2 NA and gearing

Based on the audited consolidated balance sheet of our Company as at 30 September 2014 and on the assumption that the Rights Issue and Private Placement had been effected as at that date, the proforma effects of the Rights Issue and Private Placement on the consolidated NA and gearing of our Group are as follows:-

Minimum Subscription Level	Audited as at 30 September 2014 (RM)	Proforma I Adjustment for subsequent events[(2)(3)] (RM)	Proforma II After Proforma I and the Par Value Reduction (RM)	Proforma III After Proforma II and the Rights Issue (RM)	Proforma IV After Proforma III and the Private Placement (RM)	Proforma V After Proforma IV and assuming full exercise of Warrants B (RM)
Share capital	579,276,375	[(2)]650,946,139	32,547,307	65,006,923	84,468,210	102,313,758
Warrant reserve	71,669,843	71,669,843	71,669,843	[(6)]79,784,747	[(9)]89,515,390	[(12)]71,669,843
Share premium	2,357,179	2,357,179	2,357,179	2,357,179	[(10)]1,867,179	[(13)]1,867,179
Treasury shares	(4,192,396)	(4,192,396)	(4,192,396)	(4,192,396)	(4,192,396)	(4,192,396)
Other reserves	(10,391,478)	[(2)](82,061,242)	(82,061,242)	(90,176,146)	(99,906,789)	(82,061,242)
Capital reserve	-	-	[(4)]39,014,654	39,014,654	39,014,654	39,014,654
(Accumulated losses)/Retained earnings	(201,418,520)	[(3)](562,138,520)	[(5)]17,245,658	[(7)]16,445,658	16,445,658	16,445,658
Total equity/NA	**437,301,003**	**76,581,003**	**76,581,003**	**108,240,619**	**127,211,906**	**145,057, 454**
Par value	**0.20**	**0.20**	**0.01**	**0.01**	**0.01**	**0.01**
No. of shares in issued[(1)]	3,241,134,094	3,241,134,094	3,241,134,094	6,487,095,720	8,433,224,436	10,217,779,200
NA per share	**0.13**	**0.02**	**0.02**	**0.02**	**0.02**	**0.01**
Total borrowings	224,746,890	224,746,890	224,746,890	[(8)]208,246,890	[(11)]198,246,890	198,246,890
Gearing (times)	**0.51**	**2.93**	**2.93**	**1.92**	**1.56**	**1.37**

Notes:-

(1) Excluding 13,596,600 treasury shares held by our Company as at the LPD.

(2) After reclassification of the fair value of Warrants A from other reserves resulting in the consequential adjustment to the share capital.

(3) After taking into consideration the provisions and expenses of approximately RM360.72 million recognised in the nine (9) months FPE 30 June 2015 pursuant to the Exit of Container Business.

(4) Represents the net credit arising from the Par Value Reduction after offsetting the accumulated losses of our Company.

(5) Represents our Group's consolidated retained earnings arising after offsetting the accumulated losses of our Company against the credit arising from the Par Value Reduction.

(6) After adjusting for the theoretical fair value of RM0.01 per Warrant B to be issued pursuant to the Rights Issue credited from other reserve.

(7) After deducting estimated expenses of approximately RM800,000 incurred in relation to the Par Value Reduction, Rights Issue and Amendments.

(8) Assuming the repayment of the estimated credit facilities from bank(s)/financial institution(s) of RM16.5 million derived from the proceeds of the Rights Issue as disclosed under ***Section 5*** *of this Abridged Prospectus.*

(9) After adjusting for the theoretical fair value of RM0.01 per Warrant B to be issued pursuant to the Private Placement credited from other reserve.

(10) After deducting estimated expenses of approximately RM490,000 incurred in relation to the Private Placement.

(11) Assuming the repayment of the estimated credit facilities from bank(s)/financial institution(s) of RM10.0 million derived from the proceeds of the Private Placement.

(12) Transfer of fair value of Warrants B to other reserves upon full conversion of the Warrants B.

(13) Based on the exercise price of RM0.01 per Warrant B.

Maximum Scenario	Audited as at 30 September 2014 (RM)	Proforma I Adjustment for subsequent events[2][3] (RM)	Proforma II After Proforma I and the Par Value Reduction (RM)	Proforma III After Proforma II and the Rights Issue (RM)	Proforma IV After Proforma III and the Private Placement (RM)	Proforma V After Proforma IV and assuming full exercise of Warrants B (RM)
Share capital	579,276,375	[2]650,946,139	32,547,307	97,369,989	126,540,196	157,330,970
Warrant reserve	71,669,843	71,669,843	71,669,843	[6]87,875,513	[9]102,460,616	[12]71,669,843
Share premium	2,357,179	2,357,179	2,357,179	2,357,179	[10]1,627,179	[13] 1,627,179
Treasury shares	(4,192,396)	(4,192,396)	(4,192,396)	(4,192,396)	(4,192,396)	(4,192,396)
Other reserves	(10,391,478)	[2](82,061,242)	(82,061,242)	(98,266,912)	(112,852,015)	(82,061,242)
Capital reserve	-	-	[4]39,014,654	39,014,654	39,014,654	39,014,654
(Accumulated losses)/Retained earnings	(201,418,520)	[3](562,138,520)	[5]17,245,658	[7]15,635,658	15,635,658	15,635,658
Total equity/NA	**437,301,003**	**76,581,003**	**76,581,003**	**139,793,685**	**168,233,892**	**199,024,666**
Par value	**0.20**	**0.20**	**0.01**	**0.01**	**0.01**	**0.01**
No. of shares in issued[1]	3,241,134,094	3,241,134,094	3,241,134,094	9,723,404,282	12,640,422,966	15,719,500,355
NA per share	**0.13**	**0.02**	**0.02**	**0.01**	**0.01**	**0.01**
Total borrowings	224,746,890	224,746,890	224,746,890	[8]191,746,890	[11]176,746,890	176,746,890
Gearing (times)	**0.51**	**2.93**	**2.93**	**1.37**	**1.05**	**0.89**

Notes:-

(1) Excluding 13,596,600 treasury shares held by our Company as at the LPD.

(2) After reclassification of the fair value of Warrants A from other reserves resulting in the consequential adjustment to the share capital.

(3) After taking into consideration the provisions and expenses of approximately RM360.72 million recognised in the nine (9) months FPE 30 June 2015 pursuant to the Exit of Container Business.

(4) Represents the net credit arising from the Par Value Reduction after offsetting the accumulated losses of our Company.

(5) Represents our Group's consolidated retained earnings arising after offsetting the accumulated losses of our Company against the credit arising from the Par Value Reduction.

(6) After adjusting for the theoretical fair value of RM0.01 per Warrant B to be issued pursuant to the Rights Issue credited from other reserve.

(7) After deducting estimated expenses of approximately RM1.61 million incurred in relation to the Par Value Reduction, Rights Issue and Amendments.

(8) Assuming the repayment of the estimated credit facilities from bank(s)/financial institution(s) of RM33.0 million derived from the proceeds of the Rights Issue as disclosed in ***Section 5*** *of this Abridged Prospectus.*

(9) After adjusting for the theoretical fair value of RM0.01 per Warrant B to be issued pursuant to the Private Placement credited from other reserve.

(10) After deducting estimated expenses of approximately RM730,000 incurred in relation to the Private Placement.

(11) Assuming the repayment of the estimated credit facilities from bank(s)/financial institution(s) of RM15.0 million derived from the proceeds of the Private Placement.

(12) Transfer of fair value of Warrants B to other reserves upon full conversion of the Warrants B.

(13) Based on the exercise price of RM0.01 per Warrant B.

8.3 Substantial shareholders' and certain Director's shareholdings

Based on the Record of Depositors of our Company as at the LPD, our Company does not have any substantial shareholders, who hold more than five percent (5%) of the issued and paid-up share capital of our Company. The proforma effects of the Rights Issue and Private Placement on BPSB, VSB, DLLK and RWLH's shareholdings in Hubline as at the LPD based on the Minimum Subscription Level and Maximum Scenario are set out below:-

Minimum Subscription Level

Proforma of BPSB, VSB, DLLK and RWLH	As at the LPD				Proforma I After the Rights Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	[1]%	No. of Shares	[1]%	No. of Shares	[1]%	No. of Shares	[1]%
BPSB	341,813	0.01	-	-	1,101,025,439	16.97	-	-
VSB	89,000	[2]-	-	-	500,267,000	7.71	-	-
DLLK	22,250,000	0.69	[3]11,607,716	0.36	866,750,000	13.36	[3]11,607,716	0.18
RWLH	300,000	0.01	-	-	800,900,000	12.35	-	-

Proforma of BPSB, VSB, DLLK and RWLH	Proforma II After Proforma I and the Private Placement				Proforma III After Proforma II and assuming full exercise of the Warrants B			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	[1]%	No. of Shares	[1]%	No. of Shares	[1]%	No. of Shares	[1]%
BPSB	1,101,025,439	13.06	-	-	1,376,196,346	13.47	-	-
VSB	500,267,000	5.93	-	-	625,311,500	6.12	-	-
DLLK	866,750,000	10.28	[3]11,607,716	0.14	1,077,875,000	10.55	[3]11,607,716	0.11
RWLH	800,900,000	9.50	-	-	1,001,050,000	9.80	-	-

Notes:-

(1) Excluding 13,596,600 treasury shares held by our Company as at the LPD.

(2) Negligible.

(3) Deemed interested by virtue of shareholdings held by his spouse and son.

Maximum Scenario

Proforma of BPSB, VSB, DLLK and RWLH	As at the LPD				Proforma I After the Rights Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
BPSB	341,813	0.01	-	-	1,025,439	0.01	-	-
VSB	89,000	(2)-	-	-	267,000	(2)-	-	-
DLLK	22,250,000	0.69	(3)11,607,716	0.36	66,750,000	0.69	(3)34,823,148	0.36
RWLH	300,000	0.01	-	-	900,000	0.01	-	-

Proforma of BPSB, VSB, DLLK and RWLH	Proforma II After Proforma I and the Private Placement				Proforma III After Proforma II and assuming full exercise of the Warrants B			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
BPSB	1,025,439	0.01	-	-	1,196,346	0.01	-	-
VSB	267,000	(2)-	-	-	311,500	(2)-	-	-
DLLK	66,750,000	0.53	(3) 34,823,148	0.28	77,875,000	0.50	(3) 40,627,006	0.26
RWLH	900,000	0.01	-	-	1,050,000	0.01	-	-

Notes:-

(1) *Excluding 13,596,600 treasury shares held by our Company as at the LPD.*

(2) *Negligible.*

(3) *Deemed interested by virtue of shareholdings held by his spouse and son.*

8.4 Earnings and EPS

The Rights Issue is not expected to have any material effect on the earnings of our Group for the FYE 30 September 2015 as the Rights Issue is expected to be completed by the end of calendar year 2015.

However, our Board is of the view that the Rights Issue is expected to contribute positively to our Group for FYE 30 September 2016 as the utilisation of proceeds from the Rights Issue is expected to rationalise our Company's financial position and provide a platform for future earnings growth.

Although the exercise of the Warrants B is expected to dilute the consolidated EPS of our Company as a result of the increase in the number Hubline shares in issue, the proceeds derived from the exercise of the Warrants B are expected to contribute positively to the future earnings of Hubline.

For illustrative purposes only, based on the consolidated financial statements of Hubline for the FYE 30 September 2014, the proforma effects of the Rights Issue and Private Placement on the earnings and EPS of our Group are as follows:-

	Audited as at 30 September 2014	Proforma I Adjustment for subsequent events	Proforma II After Proforma I and the Par Value Reduction	Proforma III After Proforma II and the Rights Issue	Proforma IV After Proforma III and the Private Placement	Proforma V After Proforma IV and assuming full exercise of Warrants B
Profit attributable to owners of Hubline (RM'000)	3,261	3,261	3,261	3,261	3,261	3,261
Minimum Subscription Level						
No. of Hubline Shares ('000)(1)	3,241,134	3,241,134	3,241,134	6,487,096	8,433,224	10,217,779
Basic EPS (sen)(2)	0.10	0.10	0.10	0.05	0.04	0.03
Diluted EPS (sen)(3)	-	-	-	-	-	-
Maximum Scenario						
No. of Hubline Shares ('000)(1)	3,241,134	3,241,134	3,241,134	9,723,404	12,640,423	15,719,500
Basic EPS (sen)(2)	0.10	0.10	0.10	0.03	0.03	0.02
Diluted EPS (sen)(3)	-	-	-	-	-	-

Notes:-

(1) Excluding 13,596,600 treasury shares held by our Company as at the LPD.

(2) Calculated based on the profit attributable to owners of Hubline for the FYE 30 September 2015 divided by the total number of Hubline Shares issued excluding treasury shares held by Hubline.

(3) There is no effect to the diluted EPS as our Board does not envisage any Outstanding Warrants A to be exercised at the current exercise price of RM0.20 which is currently "out-of-the-money".

8.5 Convertible Securities

As at the LPD, save for the 1,511,677,733 Outstanding Warrants A, our Company does not have any other convertible securities.

Pursuant to the Deed Poll 2009, which governs the terms and conditions of Warrants A, the Par Value Reduction and Private Placement will not give rise in any adjustment to the exercise price and number of Outstanding Warrants A of our Company.

However, the Rights Issue may give rise to adjustments to the number of Outstanding Warrants A and exercise price pursuant to the Deed Poll 2009. The adjustments will be made in accordance with the provisions of the Deed Poll 2009 to mitigate any potential equity dilution resulting from the Rights Issue to ensure that the status of the existing holders of the Outstanding Warrants A are not prejudiced after the Rights Issue.

Any necessary adjustments arising from the Rights Issue in relation to the Outstanding Warrants A will only be finalised on the Entitlement Date for the Rights Issue. The details of the actual adjustments to the Outstanding Warrants A shall be announced at a later date and shall be set out in a notice of adjustments to the holders of Warrants A, if any, which shall be despatched within twenty-one (21) Market Days of such adjustments.

9. IRREVOCABLE UNDERTAKING

The Rights Issue will be implemented on a Minimum Subscription Level to raise minimum gross proceeds of at least RM32.60 million. The minimum subscription basis will involve the issuance of 3,245,961,626 Rights Shares together with 811,490,406 Warrants B based on the aggregate Entitlement Undertakings and Additional Undertakings of BPSB, VSB, DLLK and RWLH.

The Minimum Subscription Level was determined by our Board after taking into consideration the minimum level of funds that our Company wishes to raise from the Rights Issue, which will be channelled towards the proposed utilisation of proceeds as set out in **Section 5** of this Abridged Prospectus.

Our Company had on 29 May 2015, procured irrevocable undertaking letters from certain shareholders of Hubline, being BPSB and VSB as well as Directors of Hubline, being DLLK and RWLH to subscribe in full for their Entitlement Undertakings.

In addition, BPSB, VSB, DLLK and RWLH have also provided irrevocable undertakings to subscribe for additional Rights Shares (as set out below) which would be subscribed via excess application in the event there are Rights Shares not subscribed by other Entitled Shareholders and/or their renouncee(s)/transferee(s). Our Board will ensure that the Rights Shares are allotted on a fair and equitable basis, in line with the basis set out in **Section 3.8** of this Abridged Prospectus.

The details of the Entitlement Undertakings and Additional Undertakings are set out as below:-

	As at the LPD		A	B	A + B		
			Entitlement Undertakings	Additional Undertakings	Total Rights Shares to be subscribed pursuant to the Entitlement Undertakings and Additional Undertakings		
	No. of Shares	(2)%	No. of Rights Shares	No. of Rights Shares	No. of Rights Shares	(4)%	(5)%
Shareholders							
BPSB(1)	341,813	0.01	683,626	1,100,000,000	1,100,683,626	33.91	16.98
VSB	89,000	(3)-	178,000	500,000,000	500,178,000	15.41	7.72
Directors							
DLLK	22,250,000	0.69	44,500,000	800,000,000	844,500,000	26.02	13.03
RWLH	300,000	0.01	600,000	800,000,000	800,600,000	24.66	12.35
Total			**45,961,626**	**3,200,000,000**	**3,245,961,626**	**100.00**	**50.08**

Notes:-

(1) DLLK is a director of BPSB, which is deemed as a person connected with a Director.

(2) Excluding 13,596,600 treasury shares held by our Company as at the LPD.

(3) Negligible.

(4) Percentage calculated based on 3,245,961,626 Rights Shares to be subscribed under the Minimum Subscription Level.

(5) Percentage calculated based on 6,482,268,188 Rights Shares available for subscription under the Rights Issue.

Accordingly, BPSB, VSB, DLLK and RWLH have confirmed that they have sufficient financial resources to subscribe for their respective entitlements in respect of their Entitlement Undertakings and Additional Undertakings pursuant to the Rights Issue. All the said confirmations have been verified by RHB Investment Bank, the Principal Adviser for the Rights Issue.

After taking into consideration the above Entitlement Undertakings and Additional Undertakings, our Board confirms that the abovementioned shareholders' subscription of the Rights Shares will not give rise to any mandatory general offer obligations pursuant to the Code. In addition, BPSB, VSB, DLLK, and RWLH had also given their confirmation to observe and comply at all times with the provision of the Code.

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

10.1 Working capital

Our Board is of the opinion that after taking into consideration the proceeds from the Rights Issue, cash in hand and banking facilities available, our Group will have adequate working capital to meet our operation requirements following the Exit of Container Business for the next twelve (12) months from the date of this Abridged Prospectus.

10.2 Borrowings

As at the LPD, our Group had total outstanding borrowings of approximately RM195.71 million, all of which are interest-bearing, details of which are as follows:-

	^Total (RM'000)
Short term borrowings:-	
Bank overdrafts and revolving credits*	12,371
Bills payable and bankers' acceptance*	42,574
Term loans*	19,370
Hire purchase liabilities*	98
	74,413
Long term borrowings:-	
Term loans*	103,482
Hire purchase and finance lease payables*	17,817
	121,299
Total	**195,712**

Notes:-

^ *The above figures have not been audited.*

* *Floating rate (effective interest rates ranging from 3.65% to 11.85% per annum as at the LPD).*

As at the LPD, our Group has foreign borrowings comprising USD denominated term loans of approximately USD18.65 million (equivalent to approximately RM79.91 million based on Bank Negara Malaysia's exchange rate as at the LPD of USD1:RM4.28), which forms part of our Group's long term borrowings. Apart from that, our Group has no other borrowings in foreign currency.

As part of and following our Exit of Container Business, our Group has entered in discussions and negotiations with several of our lenders on the restructuring of several of our facilities and debt obligations related to the container business division and Container Business Subsidiaries and consequently, some repayments amounting to approximately RM6.9 million have been suspended temporarily, the amount of which is part of the total outstanding borrowings of our Group as stated above. Save as aforesaid, there has not been any default on payments of either interest or principal sums by our Group, in respect of any borrowings during the FYE 30 September 2014 and for the subsequent financial period up to the LPD.

10.3 Contingent liabilities and material commitments

10.3.1 Contingent liabilities

Save as disclosed below, as at the LPD, there are no contingent liabilities incurred or known to be incurred, which upon becoming enforceable, may have a material impact in the financial results/position of our Group:-

	RM'000
Corporate guarantees given to financial institutions and third parties for credit facilities provided to subsidiaries in relation to the following:-	
(i) Dry Bulk Business	23,702
(ii) Container shipping business	88,820
Total	**112,522**

10.3.2 Material commitments

As at the LPD, there are no material commitments incurred or known to be incurred by our Group that has not been provided for, which upon becoming enforceable, may have a material impact on the financial results/position of our Group.

11. TERMS AND CONDITIONS

The issuance of the Rights Shares with Warrants B pursuant to the Rights Issue is governed by the terms and conditions as set out in this Abridged Prospectus, NPA and RSF enclosed herewith.

12. FURTHER INFORMATION

You are requested to refer to the attached appendices for further information.

Yours faithfully,
For and on behalf of the Board of
HUBLINE BERHAD

DENNIS LING LI KUANG
Chief Executive Officer/Managing Director

CERTIFIED TRUE EXTRACT OF THE ORDINARY RESOLUTIONS PERTAINING TO THE RIGHTS ISSUE PASSED AT OUR EGM HELD ON 5 OCTOBER 2015

HUBLINE BERHAD

(Company No. 23568-H)
(Incorporated in Malaysia under the Companies Act, 1965)

Extract from the Minutes of the Extraordinary General Meeting of Hubline Berhad ("**Hubline**" or the "**Company**") held at Dewan Perpaduan II, 1st Floor, Merdeka Palace Hotel & Suites, Jalan Tun Abang Haji Openg, 93000 Kuching, Sarawak, on Monday, 5th October 2015 at 10:30 a.m.

SPECIAL RESOLUTION 1

PROPOSED SHARE CAPITAL REDUCTION OF HUBLINE VIA THE CANCELLATION OF RM0.19 OF THE PAR VALUE OF EVERY EXISTING ISSUED AND FULLY PAID-UP ORDINARY SHARE OF RM0.20 EACH IN HUBLINE PURSUANT TO SECTION 64 OF THE COMPANIES ACT, 1965 (THE "ACT") ("PROPOSED PAR VALUE REDUCTION")

Proposed by Ms Chew Ai Lee and seconded by Mr Lawrence Wong Dang Fong

RESOLVED :

THAT, subject to the passing of Special Resolution 2, the confirmation of the High Court of Malaya ("**High Court**") pursuant to Section 64 of the Act and the approvals from relevant authorities and/or parties being obtained, approval be and is hereby given for the reduction of the par value of each issued and fully paid-up ordinary shares of Hubline from RM0.20 to RM0.01 by way of cancellation of RM0.19 of every existing issued and fully paid-up ordinary share of par value RM0.20 each in Hubline;

THAT, the credit arising therefrom be utilised to reduce the accumulated losses of the Company and any credit remaining that may be in excess of what is required towards offsetting the accumulated losses of the Company be and is hereby applied towards crediting into a capital reserve account of the Company which shall be applied as if it were share premium and/or towards setting off future losses and save for the mentioned purposes, the capital reserve account shall not be distributable without leave of the High Court;

AND THAT the Board of Directors of the Company ("**Board**") be and is hereby authorised to with full powers to take all such steps as they may deem necessary to:-

(i) assent to any conditions, modifications, variations as may be imposed or permitted by the relevant authorities and/or the High Court;

(ii) lodge an office copy of the order of the High Court referred to in this Special Resolution 1 with the Registrar of Companies on such date the Directors may determine; and

(iii) do all such acts, deeds and/or things and execute all documents for and on behalf of the Company incidental and/or as may be required or as they consider necessary and expedient in the best interest of the Company, to give full effect to and complete the matters described in this Special Resolution 1.

CERTIFIED TRUE EXTRACT OF THE ORDINARY RESOLUTIONS PERTAINING TO THE RIGHTS ISSUE PASSED AT OUR EGM HELD ON 5 OCTOBER 2015 (Cont'd)

HUBLINE BERHAD

(Company No. 23568-H)

SPECIAL RESOLUTION 2

PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF HUBLINE TO FACILITATE THE PROPOSED PAR VALUE REDUCTION ("PROPOSED AMENDMENTS")

Proposed by Ms Chew Ai Lee and seconded by Mr Lawrence Wong Dang Fong

RESOLVED :

THAT, subject to the passing of Special Resolution 1 and all approvals being obtained from the relevant authorities, approval be and is hereby given to the Company to amend the Memorandum of Association of the Company in the manner as set out below:-

Existing provision	Proposed Amendments
Clause 5 "The share capital of the Company is RM1,000,000,000 divided into 5,000,000,000 shares of RM0.20 each. The shares in the original or any increased capital may be divided into several classes, and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise."	**Clause 5** "The share capital of the Company is RM1,000,000,000 divided into 100,000,000,000 shares of RM0.01 each. The shares in the original or any increased capital may be divided into several classes, and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise."

AND THAT the Board be and is hereby authorised to do all things and acts as may be required and to sign and execute all documents for an on behalf of the Company as they may consider necessary or expedient to give effect to and implement the Proposed Amendments with full power to assent to any condition, modification, variation as may be imposed or permitted by all relevant regulatory authorities and/or parties and with full power to make any amendment, variation or modification to the terms of the Proposed Amendments as the Directors may in their discretion deem fit or expedient in the best interest of the Company.

ORDINARY RESOLUTION 1

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 6,482,268,188 NEW ORDINARY SHARES OF RM0.01 EACH IN HUBLINE ("RIGHTS SHARE(S)") ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) ORDINARY SHARE OF RM0.01 EACH HELD IN HUBLINE ("HUBLINE SHARE(S)") OR "SHARE(S)") AFTER THE PROPOSED PAR VALUE REDUCTION, TOGETHER WITH UP TO 1,620,567,047 FREE DETACHABLE NEW WARRANTS ("WARRANT(S) B"), ON THE BASIS OF ONE (1) WARRANT B FOR EVERY FOUR (4) RIGHTS SHARES SUBSCRIBED, ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("ENTITLEMENT DATE") ("PROPOSED RIGHTS ISSUE")

Proposed by Ms Sharon Chai Jang Ping and seconded by Mr Poh Siong

RESOLVED :

THAT, subject to passing of Special Resolutions 1 and 2, and conditional upon the approvals of all relevant authorities for the admission of the Warrants B to the Official List of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the listing of and quotation for the Rights Shares, Warrants B, Adjustment Warrants A (as defined herein) as well as the new Hubline Shares to be issued arising from the exercise of the Warrants B and Adjustment Warrants A being obtained on the Main Market of Bursa Securities, the Board be and is hereby authorised to:-

HUBLINE BERHAD

(Company No. 23568-H)

(i) provisionally allot and issue by way of a renounceable rights issue of up to 6,482,268,188 Rights Shares together with up to 1,620,567,047 Warrants B at an indicative issue price of RM0.01 per Rights Share on the basis of two (2) Rights Shares for every one (1) Hubline Share held after the Proposed Par Value Reduction, together with one (1) Warrant B for every four (4) Rights Shares subscribed by the shareholders of the Company whose names appear on the Record of Depositors of the Company as at the close of business on an entitlement date to be determined later by the Board, for such purpose and utilisation of proceeds as disclosed in the circular to shareholders of the Company dated 14 September 2015 ("**Circular**");

(ii) determine the final issue price of the Rights Shares and the exercise price of Warrants B after taking into consideration, amongst others, the new par value of Hubline Shares and the prevailing market conditions prior to the price-fixing date to be determined later by the Board;

(iii) enter into and execute the deed poll constituting the Warrants B ("**Deed Poll 2015**") and to do all acts, deeds and things as he may deem fit or expedient in order to implement, finalise and give full effect to the Deed Poll 2015;

(iv) allot and issue any such additional Warrants 2009/2019 ("**Warrant(s) A**") as may be required or permitted to be issued as a consequence of the adjustments under the provisions in the deed poll executed by the Company dated 28 September 2009, the first supplemental deed poll dated 20 January 2012 and the Second Supplemental Deed Poll dated 3 September 2012 by the Company (collectively referred to as the "**Deed Poll 2009**") ("**Adjustment Warrant(s) A**");

THAT, the Board be and is hereby authorised to deal with any fractional entitlements of the Rights Shares, unsubscribed Rights Shares, Warrants B and Adjustment Warrants A that may arise from the Proposed Rights Issue, in a fair and equitable manner as they shall in their absolute discretion deem fit and expedient and in the best interest of the Company;

THAT, such Warrants B and Adjustment Warrants A are constituted by the terms and conditions of the Deed Poll 2015 and Deed Poll 2009, respectively;

THAT, the Company shall allot and issue such appropriate number of new Hubline Shares arising from the exercise by the holders of Warrants B and Adjustment Warrants **A** in accordance with the provisions in the Deed Poll 2015 and Deed Poll 2009 respectively;

THAT, the Rights Shares will upon allotment and issue, rank *pari passu* in all respects with the then existing Hubline Shares, save and except that the Rights Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of such Rights Shares;

THAT, the new Hubline Shares to be issued arising from the exercise of the Warrants B, upon the allotment and issue, rank *pari passu* in all respects with the then existing Hubline Shares, save and except that the such Hubline Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the relevant date of allotment and issue of such Hubline Shares;

THAT, the Adjustment Warrants A to be issued shall upon, allotment and issue, rank *pari passu* in all respects with the outstanding Warrants A;

THAT, the new Hubline Shares to be issued arising from the exercise of the Adjustment Warrants A, upon the allotment and issue, rank *pari passu* in all respects with the then existing Hubline Shares, save and except that such Hubline Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the relevant date of allotment and issue of such Hubline Shares;

HUBLINE BERHAD

(Company No. 23568-H)

AND THAT, the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Rights Issue with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities or deemed necessary by the Board, and to take all steps and to do all such acts and matters as they may consider necessary or expedient to implement, finalise and give full effect to the Proposed Rights Issue.

ORDINARY RESOLUTION 2

PROPOSED ALLOTMENT TO DENNIS LING LI KUANG FOR UP TO 800,000,000 RIGHTS SHARES TOGETHER WITH UP TO 200,000,000 WARRANTS B

Mr Dennis Ling Li Kuang declared his interest and persons connected to him were abstained from voting from this resolution.

Proposed by Ms Law Mee Yung and seconded by Mr Kho Aik Kheng.

RESOLVED :

THAT, subject to the passing of Special Resolutions 1 and 2, Ordinary Resolution 1 and the approvals of all relevant authorities being obtained, the Company and the Board be and is hereby authorised to issue and allot up to 800,000,000 Rights Shares together with up to 200,000,000 Warrants B to Dennis Ling Li Kuang, the Chief Executive Officer / Managing Director of the Company, in the event there are Rights Shares not subscribed by other entitled shareholders and/or their renouncees arising from the Proposed Rights Issue upon such terms and conditions, for such purpose and utilisation of proceeds and on the basis as disclosed in the Circular;

AND THAT, the Board be and is hereby authorised to give full effect to the proposed allotment of new Hubline Shares to Dennis Ling Li Kuang with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required in the best interest of the Company, and to take all steps or do all acts as they deem necessary or expedient in order to implement, finalise and give full effect to the proposed allotment of new Hubline Shares to Dennis Ling Li Kuang, as part of the Proposed Rights Issue.

ORDINARY RESOLUTION 3

PROPOSED ALLOTMENT TO RICHARD WEE LIANG HUAT @ RICHARD WEE LIANG CHIAT FOR UP TO 800,000,000 RIGHTS SHARES TOGETHER WITH UP TO 200,000,000 WARRANTS B

Mr Richard Wee Liang Huat @ Richard Wee Liang Chiat declared his interest and abstained from voting from this resolution.

Proposed by Miss Judy Lee Yung Yung and seconded by Mr Lim Poh Siong.

RESOLVED :

THAT, subject to the passing of Special Resolutions 1 and 2, Ordinary Resolution 1 and the approvals of all relevant authorities being obtained, the Company and the Board be and is hereby authorised to issue and allot up to 800,000,000 Rights Shares together with up to 200,000,000 Warrants B to Richard Wee Liang Huat @ Richard Wee Liang Chiat, the Non-Independent Non-Executive Chairman of the Company, in the event there are Rights Shares not subscribed by other entitled shareholders and/or their renouncees arising from the Proposed Rights Issue upon such terms and conditions, for such purpose and utilisation of proceeds and on the basis as disclosed in the Circular.

HUBLINE BERHAD

(Company No. 23568-H)

AND THAT, the Board be and is hereby authorised to give full effect to the proposed allotment of new Hubline Shares to Richard Wee Liang Huat @ Richard Wee Liang Chiat with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required in the best interest of the Company, and to take all steps or do all acts as they deem necessary or expedient in order to implement, finalise and give full effect to the proposed allotment of new Hubline Shares to Richard Wee Liang Huat @ Richard Wee Liang Chiat, as part of the Proposed Rights Issue.

ORDINARY RESOLUTION 4

PROPOSED ALLOTMENT TO BILLION POWER SDN BHD FOR UP TO 1,100,000,000 RIGHTS SHARES TOGETHER WITH UP TO 275,000,000 WARRANTS B

Mr Dennis Ling Li Kuang declared his interest and persons connected to him were abstained from voting from this resolution.

Proposed by Miss Sylvia Chan Yean Chin and seconded by Mr Lim Poh Siong.

RESOLVED :

THAT, subject to the passing of Special Resolutions 1 and 2, Ordinary Resolution 1 and the approvals of all relevant authorities being obtained, the Company and the Board be and is hereby authorised to issue and allot up to 1,100,000,000 Rights Shares together with up to 275,000,000 Warrants B to Billion Power Sdn Bhd, a person connected to Dennis Ling Li Kuang, in the event there are Rights Shares not subscribed by other entitled shareholders and/or their renouncees arising from the Proposed Rights Issue upon such terms and conditions, for such purpose and utilisation of proceeds and on the basis as disclosed in the Circular.

AND THAT, the Board be and is hereby authorised to give full effect to the proposed allotment of new Hubline Shares to Billion Power Sdn Bhd with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required in the best interest of the Company, and to take all steps or do all acts as they deem necessary or expedient in order to implement, finalise and give full effect to the proposed allotment of new Hubline Shares to Billion Power Sdn Bhd, as part of the Proposed Rights Issue.

ORDINARY RESOLUTION 5

PROPOSED PRIVATE PLACEMENT OF UP TO 2,917,020,684 NEW HUBLINE SHARES ("PLACEMENT SHARE(S)"), REPRESENTING UP TO APPROXIMATELY 30.0% OF THE ENLARGED ISSUED AND FULLY PAID-UP SHARE CAPITAL OF THE COMPANY AFTER THE PROPOSED PAR VALUE REDUCTION AND PROPOSED RIGHTS ISSUE, TOGETHER WITH UP TO 1,458,510,342 FREE DETACHABLE WARRANTS B ON THE BASIS OF ONE (1) WARRANT B FOR EVERY TWO (2) PLACEMENT SHARES TO BE SUBSCRIBED BY POTENTIAL INVESTORS ("PROPOSED PRIVATE PLACEMENT")

Proposed by Ms Chew Ai Lee and seconded by Mr Lawrence Wong Dang Fong

RESOLVED :

THAT, subject to the passing of Special Resolutions 1 and 2, Ordinary Resolution 1 and the approvals of all relevant authorities for the listing of and quotation for the Placement Shares, Warrants B to be issued pursuant to the Proposed Private Placement and the new Hubline Shares to be issued arising from the exercise of the Warrants B on the Main Market of Bursa Securities being obtained, the Board be and is hereby authorised to:-

CERTIFIED TRUE EXTRACT OF THE ORDINARY RESOLUTIONS PERTAINING TO THE RIGHTS ISSUE PASSED AT OUR EGM HELD ON 5 OCTOBER 2015 (Cont'd)

HUBLINE BERHAD

(Company No. 23568-H)

(i) provisionally allot and issue by way of placement of up to 2,917,020,684 Placement Shares, representing up to approximately 30.0% of the enlarged issued and fully paid-up share capital of the Company after the Proposed Par Value Reduction and Proposed Rights Issue, together with up to 1,458,510,342 free detachable Warrants B on the basis of one (1) Warrant B for every two (2) Placement Shares to potential investors as the Board may deem fit, for such purpose and utilisation of proceeds as disclosed in the Circular; and

(ii) determine the final issue price of the Placement Shares after taking into consideration, amongst others, the new par value of Hubline Shares of RM0.01 each after the Proposed Par Value Reduction;

THAT, the Placement Shares shall, upon allotment and issue, rank *pari passu* in respect with the then existing Hubline Shares, save and except that the holders of the Placement Shares shall not be entitled to any dividends, rights, allotments and/or any other distributions that may be declared, made or paid where the entitlement date precedes the date of allotment of the said Placement Shares;

THAT, the Warrants B to be issued pursuant to the Proposed Private Placement, shall upon, allotment and issue, be constituted by the terms and conditions of the Deed Poll 2015;

THAT, the new Hubline Shares to be issued arising from the exercise of the Warrants B shall, upon the allotment and issue, rank *pari passu* in all respects with the then outstanding Warrants B to be issued pursuant to the Proposed Rights Issue;

AND THAT, the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Private Placement with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities or deemed necessary by the Board, and to take all steps and to do all such acts and matters as they may consider necessary or expedient to implement, finalise and give full effect to the Proposed Private Placement.

CERTIFIED TRUE EXTRACT

DIRECTOR
DENNIS LING LI KUANG

SECRETARY
YEO PUAY HUANG
(LS 0000577)

INFORMATION ON OUR COMPANY

1. HISTORY AND BUSINESS

Our Company was incorporated in Malaysia on 12 May 1975 under the Act as a private limited company under the name of Bintulu Holdings Sendirian Berhad. We subsequently changed our name to Eastern Oxygen Sendirian Berhad on 14 May 1976. On 27 December 1994, we converted to a public limited company and changed our name to EOX Group Berhad on 1 March 2000. On 9 February 2001, our Company transferred our listing from the Second Board to the Main Board of Bursa Securities (presently known as the Main Market of Bursa Securities) and subsequently changed our name to Hubline Berhad on 1 April 2004.

The principal activities of our Company are that of investment holding and provision of management services. The principal activities of our subsidiary companies are investment holding, trading, shipping services, shipping agent, ship owner and charterer and provision of marine cargo handling services. Further details of the principal activities of our subsidiary companies are set out in **Section 6** of this **Appendix II.**

2. SHARE CAPITAL

As at the LPD, our authorised and issued and paid-up share capital are as follows:-

Type	No. of Shares	Par value (RM)	Total (RM)
Authorised	100,000,000,000	0.01	1,000,000,000.00
Issued and fully paid-up	*3,254,730,694	0.01	32,547,307

Note:-

* *Including 13,596,600 Hubline Shares held as treasury shares as at the LPD.*

3. CHANGES IN SHARE CAPITAL

There have been no changes in our authorised and issued paid-up share capital for the last three (3) years up to and including the LPD.

4. SUBSTANTIAL SHAREHOLDERS

Based on the Record of Depositors of our Company as at the LPD, our Company does not have any substantial shareholders, who hold more than five percent (5%) of the issued and paid-up share capital of our Company. The proforma effects of the Rights Issue and Private Placement on BPSB, VSB, DLLK and RWLH's shareholdings in Hubline as at the LPD based on the Minimum Subscription Level and Maximum Scenario are set out below:-

Minimum Subscription Level

	As at the LPD				Proforma I After the Rights Issue			
	Direct		Indirect		Direct		Indirect	
Proforma of BPSB, VSB, DLLK and RWLH	No. of Shares	[(1)]%	No. of Shares	[(1)]%	No. of Shares	[(1)]%	No. of Shares	[(1)]%
BPSB	341,813	0.01	-	-	1,101,025,439	16.97	-	-
VSB	89,000	[(2)]-	-	-	500,267,000	7.71	-	-
DLLK	22,250,000	0.69	[(3)]11,607,716	0.36	866,750,000	13.36	[(3)]11,607,716	0.18
RWLH	300,000	0.01	-	-	800,900,000	12.35	-	-

	Proforma II After Proforma I and the Private Placement				Proforma III After Proforma II and assuming full exercise of the Warrants B			
	Direct		Indirect		Direct		Indirect	
Proforma of BPSB, VSB, DLLK and RWLH	No. of Shares	[(1)]%	No. of Shares	[(1)]%	No. of Shares	[(1)]%	No. of Shares	[(1)]%
BPSB	1,101,025,439	13.06	-	-	1,376,196,346	13.47	-	-
VSB	500,267,000	5.93	-	-	625,311,500	6.12	-	-
DLLK	866,750,000	10.28	[(3)]11,607,716	0.14	1,077,875,000	10.55	[(3)]11,607,716	0.11
RWLH	800,900,000	9.50	-	-	1,001,050,000	9.80	-	-

Notes:-

(1) *Excluding 13,596,600 treasury shares held by our Company as at the LPD.*

(2) *Negligible.*

(3) *Deemed interested by virtue of shareholdings held by his spouse and son.*

Maximum Scenario

	As at the LPD				Proforma I After the Rights Issue			
	Direct		Indirect		Direct		Indirect	
Proforma of BPSB, VSB, DLLK and RWLH	No. of Shares	[1]%	No. of Shares	[1]%	No. of Shares	[1]%	No. of Shares	[1]%
BPSB	341,813	0.01	-	-	1,025,439	0.01	-	-
VSB	89,000	[2]-	-	-	267,000	[2]-	-	-
DLLK	22,250,000	0.69	[3]11,607,716	0.36	66,750,000	0.69	[3]34,823,148	0.36
RWLH	300,000	0.01	-	-	900,000	0.01	-	-

	Proforma II After Proforma I and the Private Placement				Proforma III After Proforma II and assuming full exercise of the Warrants B			
	Direct		Indirect		Direct		Indirect	
Proforma of BPSB, VSB, DLLK and RWLH	No. of Shares	[1]%	No. of Shares	[1]%	No. of Shares	[1]%	No. of Shares	[1]%
BPSB	1,025,439	0.01	-	-	1,196,346	0.01	-	-
VSB	267,000	[2]-	-	-	311,500	[2]-	-	-
DLLK	66,750,000	0.53	[3]34,823,148	0.28	77,875,000	0.50	[3]40,627,006	0.26
RWLH	900,000	0.01	-	-	1,050,000	0.01	-	-

Notes:-

(1) Excluding 13,596,600 treasury shares held by our Company as at the LPD.

(2) Negligible.

(3) Deemed interested by virtue of shareholdings held by his spouse and son.

5. OUR BOARD OF DIRECTORS

5.1 Details of our Directors

The particulars of our Directors as at the LPD are as follows:-

Name*	Age	Profession	Designation	Address
Richard Wee Liang Huat @ Richard Wee Liang Chiat	56	Company Director	Non-Independent Non-Executive Chairman	No. 33, Jalan Ong Hup Leong 93200 Kuching Sarawak
Dennis Ling Li Kuang	62	Chartered Accountant /Company Director	Chief Executive Director/Managing Director	No. 65, Jalan Tabuan 93100 Kuching Sarawak
Katrina Ling Shiek Ngee	37	Company Director	Executive Director	No. 65, Jalan Tabuan 93100 Kuching Sarawak
Jem Magnaye	33	Company Director	Non-Independent Non-Executive Director	No. 65, Jalan Tabuan 93100 Kuching Sarawak
Haji Ibrahim bin Haji Baki	56	Company Director	Independent Non-Executive Director	74A, Jalan Muhibbah 93400 Kuching Sarawak
Lai Lian Yee	66	Company Director	Independent Non-Executive Director	29 Jalan Hua Joo Park, Lorong 8, 93200 Kuching Sarawak

Note:-

* *Refer to Corporate Directory on page 1 for Director's Nationality.*

5.2 Directors' shareholdings

Based on the Record of Depositors of our Company as at the LPD, the proforma effects of the Rights Issue and Private Placement on our Directors' shareholdings is set out below:-

Minimum Subscription Level

	As at the LPD				Proforma I After the Rights Issue			
	Direct		Indirect		Direct		Indirect	
Directors	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
DLLK	22,250,000	0.69	(2)11,607,716	0.36	866,750,000	13.36	(2)11,607,716	0.18
RWLH	300,000	0.01	-	-	800,900,000	12.35	-	-
Katrina Ling Shiek Ngee	-	-	(3)33,857,716	1.04	-	-	(3)878,357,716	13.54
Jem Magnaye	-	-	(4)8,723,400	0.27	-	-	(4)8,723,400	0.13
Haji Ibrahim bin Haji Baki	-	-	-	-	-	-	-	-
Lai Lian Yee	167,000	0.01	(5)830,000	0.03	167,000	(6)-	(5)830,000	0.01

	Proforma II After Proforma I and the Private Placement				Proforma III After Proforma II and assuming full exercise of the Warrants B			
	Direct		Indirect		Direct		Indirect	
Directors	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
DLLK	866,750,000	10.28	(2)11,607,716	0.14	1,077,875,000	10.55	(2)11,607,716	0.11
RWLH	800,900,000	9.50	-	-	1,001,050,000	9.80	-	-
Katrina Ling Shiek Ngee	-	-	(3)878,357,716	10.42	-	-	(3)1,089,482,716	10.66
Jem Magnaye	-	-	(4)8,723,400	0.10	-	-	(4)8,723,400	0.08
Haji Ibrahim bin Haji Baki	-	-	-	-	-	-	-	-
Lai Lian Yee	167,000	(6)-	(5)830,000	0.01	167,000	(6)-	(5)830,000	0.01

INFORMATION ON OUR COMPANY (Cont'd)

Notes:-

(1) *Excluding 13,596,600 Hubline Shares held as treasury shares as at the LPD.*

(2) *Deemed interested by virtue of shareholdings held by his spouse and son.*

(3) *Deemed interested by virtue of shareholdings held by her father, mother, and brother.*

(4) *Deemed interested by virtue of shareholdings held by her spouse.*

(5) *Deemed interested by virtue of shareholdings held by his spouse.*

(6) *Negligible.*

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INFORMATION ON OUR COMPANY (Cont'd)

Maximum Scenario

	As at the LPD				Proforma I After the Rights Issue			
	Direct		Indirect		Direct		Indirect	
Directors	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
DLLK	22,250,000	0.69	(2)11,607,716	0.36	66,750,000	0.69	(2)34,823,148	0.36
RWLH	300,000	0.01	-	-	900,000	0.01	-	-
Katrina Ling Shiek Ngee	-	-	(3)33,857,716	1.04	-	-	(3)101,573,148	1.04
Jem Magnaye	-	-	(4)8,723,400	0.27	-	-	(4)26,170,200	0.27
Haji Ibrahim bin Haji Baki	-	-	-	-	-	-	-	-
Lai Lian Yee	167,000	0.01	(5)830,000	0.03	501,000	0.01	(5)2,490,000	0.03

	Proforma II After Proforma I and the Private Placement				Proforma III After Proforma II and assuming full exercise of the Warrants B			
	Direct		Indirect		Direct		Indirect	
Directors	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
DLLK	66,750,000	0.53	(2)34,823,148	0.28	77,875,000	0.50	(2)40,627,006	0.26
RWLH	900,000	0.01	-	-	1,050,000	0.01	-	-
Katrina Ling Shiek Ngee	-	-	(3)101,573,148	0.80	-	-	(3)118,502,006	0.75
Jem Magnaye	-	-	(4)26,170,200	0.21	-	-	(4)30,531,900	0.19
Haji Ibrahim bin Haji Baki	-	-	-	-	-	-	-	-
Lai Lian Yee	501,000	(6)-	(5)2,490,000	0.02	584,400	(6)-	(5)2,905,000	0.02

INFORMATION ON OUR COMPANY (Cont'd)

Notes:-

(1) *Excluding 13,596,600 Hubline Shares held as treasury shares as at the LPD.*

(2) *Deemed interested by virtue of shareholdings held by his spouse and son.*

(3) *Deemed interested by virtue of shareholdings held by her father, mother, and brother.*

(4) *Deemed interested by virtue of shareholdings held by her spouse.*

(5) *Deemed interested by virtue of shareholdings held by his spouse.*

(6) *Negligible.*

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6. SUBSIDIARY COMPANIES

As at the LPD, our Company does not have any associate company. Our subsidiary companies as at the LPD are set out below:-

Subsidiary companies	Date and place of incorporation	Principal activities	Issued and paid-up share capital (RM) *(Unless otherwise stated)*	Effective equity interest %
Highline Shipping Sdn Bhd	28.08.1990 Malaysia	Investment holding, provision of management services and chartering of vessel	16,424,818	100.0
EM Line Sdn Bhd	21.07.1998 Malaysia	Ship owner and charter out vessels on a time charter basis	3,000,000	100.0
EM Carriers Sdn Bhd	27.01.1999 Malaysia	Ship owner and charter out vessels on a time charter basis	5,000,000	100.0
EM Shipping Sdn Bhd	08.11.1999 Malaysia	Shipping agent	2,000,000	100.0
EM Container Line Sdn Bhd	08.02.1999 Malaysia	Shipping	2,000,000	100.0
Premier Spectrum Sdn Bhd	21.04.2000 Malaysia	Dormant	2	100.0
Hub Shipping Sdn Bhd (1)	25.06.1991 Malaysia	Provision of marine cargo handling and shipping services	102,000,000	100.0
Wonder Link Sdn Bhd	22.04.1992 Malaysia	Investment holding	10,000,000	100.0
Hub Fleet Sdn Bhd	18.03.1997 Malaysia	Ship owner and charter out vessels on a time charter basis	5,000,000	100.0
Hub Explorer Sdn Bhd	21.11.1996 Malaysia	Ship owner and charter out vessels on a time charter basis	4,000,000	100.0
Hub Warrior Sdn Bhd	20.05.1997 Malaysia	Ship owner and charter out vessels on a time charter basis	5,000,000	100.0

INFORMATION ON OUR COMPANY (Cont'd)

Subsidiary companies	Date and place of incorporation	Principal activities	Issued and paid-up share capital (RM) *(Unless otherwise stated)*	Effective equity interest %
Hub Continental Shipping Sdn Bhd	20.05.1997 Malaysia	Ship owner and charter out vessels on a time charter basis	5,000,000	100.0
Chatlink Sdn Bhd	02.06.1999 Malaysia	Ship owner and charter out vessels on a time charter basis	100,000	100.0
Patimico Sdn Bhd	06.07.1999 Malaysia	Ship owner and charter out vessels on a time charter basis	5,000,000	100.0
Ozlink Sdn Bhd	25.07.2001 Malaysia	Ship owner and charter out vessels on a time charter basis	1,000,000	100.0
Malaform Sdn Bhd	06.03.2006 Malaysia	Ship owner and charter out vessels on a time charter basis	1,000,000	100.0
Whittler Company Ltd	08.01.1998 British Virgin Islands	Provision of marine cargo handling and shipping services, and investment holding	(1)USD1	100.0
Grand Dragon Overseas Ltd	21.03.2006 British Virgin Islands	Vessel chartering and shipping	(1)USD1	100.0
Hubline Logistics Sdn Bhd	05.05.2006 Malaysia	Property Holding	1,500,000	100.0
Hubline Asia Sdn Bhd	10.11.2010 Malaysia	Ship owner and charter out vessels on a time charter basis	2	100.0
Hubline Carrier Sdn Bhd	17.01.2011 Malaysia	Ship owner and charter out vessels on a time charter basis	2	100.0
Hubline Delta Sdn Bhd	17.01.2011 Malaysia	Ship owner and charter out vessels on a time charter basis	2	100.0

Subsidiary companies	Date and place of incorporation	Principal activities	Issued and paid-up share capital (RM) *(Unless otherwise stated)*	Effective equity interest %
Hubline Equity Sdn Bhd	17.01.2011 Malaysia	Ship owner and charter out vessels on a time charter basis	2	100.0
Hubline Fortune Sdn Bhd	17.01.2011 Malaysia	Ship owner and charter out vessels on a time charter basis	2	100.0
Hubline Glory Sdn Bhd	17.01.2011 Malaysia	Ship owner and charter out vessels on a time charter basis	2	100.0
Subsidiaries of Highline Shipping Sdn Bhd				
Highline Asia Sdn Bhd	10.01.2005 Malaysia	Dormant	100,000	100.0
Highline Bulk Sdn Bhd	10.01.2005 Malaysia	Dormant	100,000	100.0
Highline Carrier Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0
Highline Delta Sdn Bhd	10.01.2005 Malaysia	Dormant	100,000	100.0
Highline Equity Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0
Highline Fortune Sdn Bhd	10.01.2005 Malaysia	Dormant	100,000	100.0
Highline Glory Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0
Highline Harbour Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0
Highline Integrated Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0
Highline Jade Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0
Highline Kinetic Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0

INFORMATION ON OUR COMPANY (Cont'd)

Subsidiary companies	Date and place of incorporation	Principal activities	Issued and paid-up share capital (RM) *(Unless otherwise stated)*	Effective equity interest %
Highline Logistics Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0
Highline Mariner Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0
Highline Navigators Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0
Highline Oceanic Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0
Highline Pacific Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0
Highline Quest Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0
Highline Reliance Sdn Bhd	10.01.2005 Malaysia	Shipping	100,000	100.0
Highline Strategic Sdn Bhd	06.11.2006 Malaysia	Shipping	100,000	100.0
Highline Trader Sdn Bhd	06.11.2006 Malaysia	Shipping	100,000	100.0
Highline Union Sdn Bhd	28.06.2007 Malaysia	Shipping	100,000	100.0
Highline Vision Sdn Bhd	28.06.2007 Malaysia	Dormant	100,000	100.0
Ever Line Shipping Sdn Bhd	16.07.2004 Malaysia	Provision of shipping management services	2,484,952	100.0
Ever Line Shipping Co Ltd	02.04.2007 Labuan, Malaysia	Shipping	(2) USD1	100.0
Many Plus Enterprise Sdn Bhd	24.04.1995 Malaysia	Sales of plate, pipe and fresh water and hire of wharf, crane and forklift	100,000	100.0

Subsidiary companies	Date and place of incorporation	Principal activities	Issued and paid-up share capital (RM) *(Unless otherwise stated)*	Effective equity interest %
Many Plus Engineering Sdn Bhd	29.04.1997 Malaysia	Sale of machine parts and accessories and repairs and maintenance of heavy equipment	100,000	100.0
Many Plus Maritime Sdn Bhd	10.12.1998 Malaysia	Dormant	50,000	100.0
Subsidiary of Wonder Link Sdn Bhd				
Hub Marine Pte Ltd	08.07.1993 Singapore	Shipping agent	(3)SGD3,000,000	100.0
Subsidiary of Everline Shipping Co. Ltd				
Everline Bulk Limited	6.11.2014 Labuan, Malaysia	Shipping	(2)USD1	100.0
Everline Carrier Limited	7.11.2014 Labuan, Malaysia	Shipping	(2)USD1	100.0
Everline Asia Limited	5.11.2012 Labuan, Malaysia	Shipping	(2)USD1	100.0

Notes:-

*(1) Following the Exit of Container Business, Hub Shipping has received various claims, including notices of winding-up, winding-up petition and writs summons from third parties. As at the LPD, Hub Shipping has received a winding-up petition. The details of such winding-up petition and notices are set out in **Appendix VII, Section 5** of this Abridged Prospectus.*

(2) United States Dollar

(3) Singapore Dollar

7. PROFIT AND DIVIDEND RECORDS

The profit and dividend records based on our Group's audited consolidated financial statements from the FYE 30 September 2012 to 30 September 2014 and the unaudited consolidated financial statements for the twelve (12) months unaudited FYE 30 September 2015 are as follows:-

	Audited FYE 30 September			Unaudited twelve (12) months FYE 30 September 2015 (RM'000)
	2012 (RM'000)	2013 (RM'000)	2014 (RM'000)	
Revenue	**499,063**	**388,623**	**361,655**	**158,016**
Gross profit	**67,783**	**20,159**	**39,131**	**18,986**
Operating profit before depreciation, amortisation, interest & taxation	**71,995**	**13,199**	**42,312**	**13,377**
Finance costs	(24,825)	(16,101)	(12,875)	(12,652)
Depreciation and amortisation	(46,626)	(42,255)	(37,800)	(18,361)
Operating profit/(loss) before taxation	**544**	**(45,157)**	**(8,363)**	**(17,636)**
Other income	10,293	24,064	10,431	14,093
Non-recurring items	(7,195)	(183,345)	4,121	(363,525)
PBT/(LBT)	**3,642**	**(204,438)**	**6,189**	**(367,068)**
Taxation	(1,258)	(3,234)	(2,928)	(12,128)
PAT/(LAT)	2,384	(207,672)	3,261	(379,196)
Minority interest	-	-	-	-
Profit/(loss) attributable to equity holders of our Company	**2,384**	**(207,672)**	**3,261**	**(379,196)**
Profit margin				
Gross profit margin (%)	13.6%	5.2%	10.8%	12.0%
PBT margin (%)	0.7%	#-	1.7%	#-
PAT margin (%)	0.5%	#-	0.9%	#-
Weighted average number of Shares in issue ('000)	2,019,686	3,178,975	3,241,134	3,241,134
Basic EPS				
Gross EPS/(LPS) (sen)	0.18	(6.43)	0.19	(11.33)
Net EPS/(LPS) (sen)	0.12	(6.53)	0.10	(11.70)
Gross dividend per Share (sen)	-	-	-	-

Note:-

*Not applicable.*

Commentary on financial performance

Unaudited twelve (12) months FYE 30 September 2015

Following the announcement of the Exit of Container Business, the revenue of our Group dropped, in particular the container division sales. Revenue of our Group had decreased by approximately RM203.6 million or 56.3% from approximately RM361.7 million in the FYE 30 September 2014 to approximately RM158.0 million in the unaudited twelve (12) months FYE 30 September 2015.

Our Group had recorded a LBT of approximately RM367.0 million in the unaudited twelve (12) months FYE 30 September 2015 as compared to a PBT of approximately RM6.2 million in the FYE 30 September 2014. The loss incurred in the unaudited twelve (12) months FYE 30 September 2015 was mainly due to the recognition of the container division exit provisions and expenses amounting to approximately RM363.5 million pursuant to the Exit of Container Business. The provisions include impairment of assets, withdrawal from trade alliances and termination of related services and operational contracts.

However, the revenue recorded from our dry bulk division increased from approximately RM90.3 million in the FYE 30 September 2014 to approximately RM102.3 million in the twelve (12) months FYE 30 September 2015. The increase in revenue was mainly due to an increase in our dry bulk fleet size from 17 sets in FYE 30 September 2014 to 23 sets in the twelve (12) months FYE 30 September 2015. As a result, our dry bulk division recorded a higher PBT of approximately RM13.6 million for the twelve (12) months FYE 30 September 2015 as compared to a PBT of approximately RM10.3 million for the FYE 30 September 2014.

FYE 30 September 2014

For the FYE 30 September 2014, our Group's revenue decreased by approximately RM27.0 million or approximately 6.9% to RM361.7 million as compared to the FYE 30 September 2013. The decrease in revenue was attributed to vessel sales which led to a contraction in the volume of shipping activities.

However, our Group recorded a higher PBT of approximately RM6.2 million for the FYE 30 September 2014 as compared to a LBT of approximately RM204.4 million for the FYE 30 September 2013. Our Group recorded a LBT in FYE 30 September 2013 mainly due to losses on disposal of PPE and provisions for impairment that was recognised in 2013.

Meanwhile, the revenue recorded from our dry bulk division increased from approximately RM82.2 million in the FYE 30 September 2013 to approximately RM90.3 million in the FYE 30 September 2014. The increase in revenue was mainly due to an increase in our dry bulk fleet size from 15 sets in FYE 30 September 2013 to 17 sets in the FYE 30 September 2014. However, our dry bulk division recorded a lower PBT of approximately RM10.3 million for the FYE 30 September 2014 as compared to a PBT of approximately RM14.7 million for the FYE 2013. The lower PBT recorded was mainly due to more vessels which underwent scheduled docking, resulting in an increase in docking expenses.

FYE 30 September 2013

For the FYE 30 September 2013, our Group's revenue decreased by approximately RM110.4 million or approximately 22.1% to RM388.6 million as compared to the FYE 30 September 2012. The decrease was mainly attributable to lower charter rates as a result of intense competition and contraction in the volume of shipping activities due to a number of vessels being disposed.

Our Group recorded a LBT of approximately RM204.4 million for the FYE 30 September 2013 as compared to a PBT of RM3.6 million for the FYE 30 September 2012. This was mainly due to losses on disposal of PPE and provisions for impairment that was recognised in 2013.

However, the revenue recorded from our dry bulk division increased from approximately RM76.2 million in the FYE 30 September 2012 to approximately RM82.2 million in the FYE 30 September 2013. The increase in revenue was mainly due to an increase in freight rates in the FYE 30 September 2013. As a result, our dry bulk division recorded a higher PBT of approximately RM14.7 million for the FYE 30 September 2013 as compared to a PBT of approximately RM12.6 million for the FYE 30 September 2012.

FYE 30 September 2012

For the FYE 30 September 2012, our Group's revenue decreased by approximately RM70.9 million or approximately 12.4% to RM499.1 million as compared to the FYE 30 September 2011. The decrease was mainly attributable to the reduction in trading revenue contributed from coal trading.

Accordingly, our Group recorded a PBT of RM3.6 million for FYE 30 September 2012 as compared to a LBT of RM89.9 million for the FYE 30 September 2011. The PBT recorded for the FYE 30 September 2012 improved as compared to the LBT recorded primarily due to the losses on disposal and impairments of PPE incurred in FYE 30 September 2011.

Meanwhile, the revenue recorded from our dry bulk division decreased from approximately RM127.8 million in the FYE 30 September 2011 to approximately RM76.2 million in the FYE 30 September 2012. The decrease in revenue was mainly due to our Group pulling out from coal trading in FYE 30 September 2012. However, the PBT recorded from our dry bulk division remain unchanged at approximately RM12.6 million for the FYE 30 September 2012 and the FYE 30 September 2011.

8. HISTORICAL PRICES

The monthly highest and lowest closing market prices of Hubline Shares as traded on Bursa Securities for the past twelve (12) months from November 2014 to October 2015 are set out below:-

	High RM	Low RM
2014		
November	0.050	0.040
December	0.040	0.035
2015		
January	0.040	0.025
February	0.040	0.025
March	0.030	0.025
April	0.025	0.020
May	0.025	0.015
June	0.020	0.015
July	0.020	0.010
August	0.015	0.010
September	0.015	0.010
October	0.015	0.010

The last transacted price of our Shares on 28 May 2015, being the last day on which our Shares were traded, prior to the date of announcement of the Rights Issue, was RM0.015.

The last transacted price of our Shares on 23 November 2015, being the last day on which our Shares were traded, prior to the ex-date for the Rights Issue, was RM0.012 .

The last transacted price of our Shares on 24 November 2015, being the latest practicable date prior to the issuance of this Abridged Prospectus, was RM0.01.

(Source: Bloomberg)

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Crowe Horwath™

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18 NOV 2015

The Board of Directors
Hubline Berhad
Wisma Hubline
Lease 3815 (Lot 10914)
Section 64 KTLD
Jalan Datuk Abang Abdul Rahim
93450 Kuching Sarawak

Hubline Berhad ("Hubline" or "the Company")
Reporting accountants' letter on the compilation of the pro forma consolidated financial information as at 30 September 2014 in relation to the Corporate Exercises (as defined herein)

We have completed our assurance engagement to report on the compilation of the pro forma financial information of the Company and its subsidiaries (the "**Group**") as at 30 September 2014, together with the accompanying notes thereto. The pro forma consolidated financial information, as set out in Appendix I of this letter (which we have been stamped for the purpose of identification), have been compiled by the Board of Directors of Hubline ("**Board of Directors**") in relation to the following:-

(i) a share capital reduction of Hubline via the cancellation of RM0.19 of the par value of every existing issued and fully paid-up ordinary share of RM0.20 each in Hubline pursuant to Section 64 of the Companies Act, 1965 (the "**Act**"), which was completed on 2 November 2015 ("**Par Value Reduction**");

(ii) a renounceable rights issue of up to 6,482,268,188 new ordinary shares of RM0.01 each in Hubline ("**Rights Share(s)**") on the basis of two (2) Rights Shares for every one (1) ordinary share of RM0.01 each held in Hubline ("**Hubline Share(s)**" or "**Share(s)**") after the Par Value Reduction, together with up to 1,620,567,047 free detachable new warrants ("**Warrant(s) B**"), on the basis of one (1) Warrant B for every four (4) Rights Shares subscribed on 26 November 2015 ("**Entitlement Date**") ("**Rights Issue**");

(iii) a private placement of up to 2,917,020,684 new Hubline Shares ("**Placement Share(s)**"), representing up to approximately 30.0% of the enlarged issued and fully paid-up share capital of the Company after the Par Value Reduction and Rights Issue, together with up to 1,458,510,342 free detachable Warrants B on the basis of one (1) Warrant B for every two (2) Placement Shares to be subscribed by potential investors ("**Private Placement**"); and

(iv) amendments to the Memorandum of Association of Hubline to facilitate the Par Value Reduction, which was completed on 2 November 2015 ("**Amendments**").

(Collectively, the Par Value Reduction, Rights Issue, Private Placement and Amendments are referred to as the "**Corporate Exercise(s)**").

The applicable criteria on the basis of which the Board of Directors have compiled the pro forma consolidated financial information to illustrate the impact of the Corporate Exercises are described in the notes to the pro forma financial information as if the Corporate Exercises had taken place as at that date.

As part of this process, information about the Group's financial position have been extracted by the Board of Directors from the Group's audited consolidated financial statements for the financial year ended 30 September 2014, on which an audit report has been published.

Crowe Horwath.

Hubline Berhad
Report on the compilation of pro forma consolidated financial information as at 30 September 2014

Board of Directors' Responsibility for the Pro Forma Consolidated Financial Information

The Board of Directors is solely responsible for compiling the pro forma confirmation financial information on the basis as set out in the notes of the pro forma consolidated statement of financial position.

Our Responsibilities

Our responsibility is to express an opinion about whether the pro forma consolidated financial information have been compiled, in all material respects, by the Board of Directors on the basis of the Corporate Exercises as set out in the notes.

We conducted our engagement in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, which is adopted by the Malaysian Institute of Accountants based on ISAE 3420 issued by the International Auditing and Assurance Standards Board and approved for application in Malaysia. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Board of Directors has compiled, in all material respects, the pro forma consolidated financial information on the basis as set out in the notes.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma consolidated financial information.

The purpose of the pro forma consolidated financial information is solely to illustrate the impact of the Corporate Exercises on the unadjusted financial information of the Group as if the Corporate Exercises had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Corporate Exercises would have been as presented.

A reasonable assurance engagement to report on whether the pro forma consolidated financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board of Directors in the compilation of the pro forma consolidated financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

a) The related pro forma adjustments give appropriate effect to those criteria; and

b) The pro forma consolidated financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgment, having regard to our understanding of the nature of the Group, the transaction in respect of which the pro forma consolidated financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma consolidated financial information.

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

Crowe Horwath™

Hubline Berhad
Report on the compilation of pro forma consolidated financial information as at 30 September 2014

Opinion

In our opinion,

a) the pro forma consolidated financial information of the Group have been properly compiled, in all material respects, on the basis stated in the notes to the pro forma consolidated statements of financial position based on the audited financial statements of the Group for the financial year ended 30 September 2014 prepared in accordance with the approved accounting standards as defined in the Financial Reporting Act 1997 and in a manner consistent with the format of the financial statements and the accounting policies adopted by the Group; and

b) each material adjustment made to the information used in the preparation of the pro forma consolidated statements of financial position is appropriate for the purposes of preparing the pro forma consolidated financial information.

Other matters

This letter is prepared at your request for the purpose of illustrating the effects of the Corporate Exercises to the unadjusted financial information of the Group as at and for the financial year ended 30 September 2014. It is not intended to be used for any other purposes. We do not assume responsibility to any other person for the content of this report.

Yours faithfully

Crowe Horwath
Firm No.: AF 1018
Chartered Accountants

Hudson Chua Jain
Approval No.: 2538/05/16(J)
Chartered Accountant

Appendix 1 - Pro forma consolidated statements of financial position
Appendix 2 - Notes to the pro forma consolidated statements of financial position

Offices in Malaysia:
Kuala Lumpur • Klang • Penang • Johor Bahru • Muar • Melaka • Kuching • Sibu • Bintulu • Miri • Kota Kinabalu • Labuan

**HUBLINE BERHAD ("Hubline" or "the Company")
AND ITS SUBSIDIARIES ("Hubline Group")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014**

The pro forma consolidated statements of financial position of the Hubline Group as at 30 September 2014 as set out below are provided for illustrative purposes only to show the effects had the Corporate Exercises taken place as at 30 September 2014.

i) Minimum scenario

	NOTE	Audited as at 30 September 2014 RM	Proforma I RM	Proforma II RM	Proforma III RM	Proforma IV RM	Proforma V RM
ASSETS							
NON-CURRENT ASSET							
Property, plant and equipment	2.4.1	459,733,605	229,865,605	229,865,605	229,865,605	229,865,605	229,865,605
Intangible assets	2.4.2	85,352,633	15,941,633	15,941,633	15,941,633	15,941,633	15,941,633
Investment securities		1	1	1	1	1	1
Deferred tax assets	2.4.3	16,144,825	1,464,825	1,464,825	1,464,825	1,464,825	1,464,825
		561,231,064	247,272,064	247,272,064	247,272,064	247,272,064	247,272,064
CURRENT ASSETS							
Inventories	2.4.4	12,395,900	5,864,900	5,864,900	5,864,900	5,864,900	5,864,900
Trade and other receivables	2.4.5	138,460,616	118,460,616	118,460,616	118,460,616	118,460,616	118,460,616
Other current assets		2,958,391	2,958,391	2,958,391	2,958,391	2,958,391	2,958,391
Cash and bank balances	2.4.6	12,477,319	12,477,319	12,477,319	27,636,935	36,608,222	54,453,770
		166,292,226	139,761,226	139,761,226	154,920,842	163,892,129	181,737,677
TOTAL ASSETS		727,523,290	387,033,290	387,033,290	402,192,906	411,164,193	429,009,741
EQUITY AND LIABILITIES							
Share capital	2.4.7	579,276,375	650,946,139	32,547,307	65,006,923	84,468,210	102,313,758
Share premium	2.4.8	2,357,179	2,357,179	2,357,179	2,357,179	1,867,179	1,867,179
Treasury shares		(4,192,396)	(4,192,396)	(4,192,396)	(4,192,396)	(4,192,396)	(4,192,396)
Warrant reserve	2.4.9	71,669,843	71,669,843	71,669,843	79,784,747	89,515,390	71,669,843
Capital reserve	2.4.10	-	-	39,014,654	39,014,654	39,014,654	39,014,654
Other reserve	2.4.11	(10,391,478)	(82,061,242)	(82,061,242)	(90,176,146)	(99,906,789)	(82,061,242)
(Accumulated losses)/ Retained profits	2.4.12	(201,418,520)	(562,138,520)	17,245,658	16,445,658	16,445,658	16,445,658
TOTAL EQUITY		437,301,003	76,581,003	76,581,003	108,240,619	127,211,906	145,057,454

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HUBLINE BERHAD ("Hubline" or "the Company")
AND ITS SUBSIDIARIES ("Hubline Group")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014

i) Minimum scenario (Cont'd)

	NOTE	Audited as at 30 September 2014 RM	Proforma I RM	Proforma II RM	Proforma III RM	Proforma IV RM	Proforma V RM
NON-CURRENT LIABILITIES							
Loan and borrowings		97,313,685	97,313,685	97,313,685	97,313,685	97,313,685	97,313,685
Deferred tax liabilities		14,485,532	14,485,532	14,485,532	14,485,532	14,485,532	14,485,532
		111,799,217	111,799,217	111,799,217	111,799,217	111,799,217	111,799,217
CURRENT LIABILITIES							
Loan and borrowings	2.4.13	127,433,205	127,433,205	127,433,205	110,933,205	100,933,205	100,933,205
Trade and other payables	2.4.14	50,574,169	70,804,169	70,804,169	70,804,169	70,804,169	70,804,169
Tax payable		415,696	415,696	415,696	415,696	415,696	415,696
		178,423,070	198,653,070	198,653,070	182,153,070	172,153,070	172,153,070
TOTAL LIABILITIES		290,222,287	310,452,287	310,452,287	293,952,287	283,952,287	283,952,287
TOTAL EQUITY AND LIABILITIES		727,523,290	387,033,290	387,033,290	402,192,906	411,164,193	429,009,741
Number of Hubline shares in issue less treasury shares		3,241,134,094	3,241,134,094	3,241,134,094	6,487,095,720	8,433,224,436	10,217,779,200
Total borrowings (RM)		224,746,890	224,746,890	224,746,890	208,246,890	198,246,890	198,246,890
Net assets # per Hubline Share		0.13	0.02	0.02	0.02	0.02	0.01

Note
Net assets are defined as total equity attributable to owners of the Company

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Appendix 1
Page 3 of 4

HUBLINE BERHAD ("Hubline" or "the Company") AND ITS SUBSIDIARIES ("Hubline Group") PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2014

ii) Maximum scenario

	NOTE	Audited as at 30 September 2014 RM	Proforma I RM	Proforma II RM	Proforma III RM	Proforma IV RM	Proforma V RM
ASSETS							
NON-CURRENT ASSET							
Property, plant and equipment	3.4.1	459,733,605	229,865,605	229,865,605	229,865,605	229,865,605	229,865,605
Intangible assets	3.4.2	85,352,633	15,941,633	15,941,633	15,941,633	15,941,633	15,941,633
Investment securities		1	1	1	1	1	1
Deferred tax assets	3.4.3	16,144,825	1,464,825	1,464,825	1,464,825	1,464,825	1,464,825
		561,231,064	247,272,064	247,272,064	247,272,064	247,272,064	247,272,064
CURRENT ASSETS							
Inventories	3.4.4	12,395,900	5,864,900	5,864,900	5,864,900	5,864,900	5,864,900
Trade and other receivables	3.4.5	138,460,616	118,460,616	118,460,616	118,460,616	118,460,616	118,460,616
Other current assets		2,958,391	2,958,391	2,958,391	2,958,391	2,958,391	2,958,391
Cash and bank balances	3.4.6	12,477,319	12,477,319	12,477,319	42,690,001	56,130,208	86,920,982
		166,292,226	139,761,226	139,761,226	169,973,908	183,414,115	214,204,889
TOTAL ASSETS		727,523,290	387,033,290	387,033,290	417,245,972	430,686,179	461,476,953
EQUITY AND LIABILITIES							
Share capital	3.4.7	579,276,375	650,946,139	32,547,307	97,369,989	126,540,196	157,330,970
Share premium	3.4.8	2,357,179	2,357,179	2,357,179	2,357,179	1,627,179	1,627,179
Treasury shares		(4,192,396)	(4,192,396)	(4,192,396)	(4,192,396)	(4,192,396)	(4,192,396)
Warrant reserve	3.4.9	71,669,843	71,669,843	71,669,843	87,875,513	102,460,616	71,669,843
Capital reserve	3.4.10	-	-	39,014,654	39,014,654	39,014,654	39,014,654
Other reserve	3.4.11	(10,391,478)	(82,061,242)	(82,061,242)	(98,266,912)	(112,852,015)	(82,061,242)
(Accumulated losses)/ Retained profits	3.4.12	(201,418,520)	(562,138,520)	17,245,658	15,635,658	15,635,658	15,635,658
TOTAL EQUITY		437,301,003	76,581,003	76,581,003	139,793,685	168,233,892	199,024,666

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HUBLINE BERHAD ("Hubline" or "the Company")
AND ITS SUBSIDIARIES ("Hubline Group")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014 (CONT'D)

ii) Maximum scenario (Cont'd)

	NOTE	Audited as at 30 September 2014 RM	Proforma I RM	Proforma II RM	Proforma III RM	Proforma IV RM	Proforma V RM
NON-CURRENT LIABILITIES							
Loan and borrowings		97,313,685	97,313,685	97,313,685	97,313,685	97,313,685	97,313,685
Deferred tax liabilities		14,485,532	14,485,532	14,485,532	14,485,532	14,485,532	14,485,532
		111,799,217	111,799,217	111,799,217	111,799,217	111,799,217	111,799,217
CURRENT LIABILITIES							
Loan and borrowings	3.4.13	127,433,205	127,433,205	127,433,205	94,433,205	79,433,205	79,433,205
Trade and other payables	3.4.14	50,574,169	70,804,169	70,804,169	70,804,169	70,804,169	70,804,169
Tax payable		415,696	415,696	415,696	415,696	415,696	415,696
		178,423,070	198,653,070	198,653,070	165,653,070	150,653,070	150,653,070
TOTAL LIABILITIES		290,222,287	310,452,287	310,452,287	277,452,287	262,452,287	262,452,287
TOTAL EQUITY AND LIABILITIES		727,523,290	387,033,290	387,033,290	417,245,972	430,686,179	461,476,953
Number of Hubline shares in issue less treasury shares		3,241,134,094	3,241,134,094	3,241,134,094	9,723,402,282	12,640,422,966	15,719,500,355
Total borrowings (RM)		224,746,890	224,746,890	224,746,890	191,746,890	176,746,890	176,746,890
Net assets # per Hubline Share		0.13	0.02	0.02	0.01	0.01	0.01

Note
\# Net assets are defined as total equity attributable to owners of the Company

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1. Basis of preparation

The pro forma consolidated statements of financial position have been properly prepared in accordance with the basis stated below using financial statements prepared in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards, and in a manner consistent with both the format of the financial statements and the accounting policies of the Hubline Group as disclosed in its audited financial statements for the financial year ended 30 September 2014.

The consolidated statements of financial position have been prepared solely for illustrative purposes, to show the effects of the major events as described below and in Note 2 and 3 respectively.

1.1 Pro forma I

Pro forma I incorporated the effects of the following events:

(a) Reclassification of the fair value of warrants 2009/2019 from other reserve resulting in the consequential adjustment to the share capital; and

(b) Adjustments for the estimated cost-to-date arising from the Exit of Container Business[1] at the Company level of approximately RM360.72 million which was recognised in the nine (9)-month unaudited financial results for the financial period ended 30 June 2015.

1.2 Pro forma II

The pro forma II is stated after pro forma I as disclosed in Note 1.1 above and incorporated the effects of the reduction of each existing ordinary share of Hubline from RM0.20 to RM0.01 per share by way of cancellation of RM0.19 of the par value of every existing issued and fully paid-up ordinary share of RM0.20 each pursuant to Section 64 of the Companies Act, 1965 ("**Par Value Reduction**"). Pursuant to the Par Value Reduction, the share capital of the Company had been reduced from approximately RM650,946,139 comprising 3,254,730,694 ordinary shares of RM0.20 each in Hubline to approximately RM32,547,307 comprising 3,254,730,694 ordinary shares of RM0.01 each in Hubline ("**Hubline Share(s)**").

The Par Value Reduction will give rise to a credit of approximately RM618,398,832 which will be utilised to offset the accumulated losses of Hubline. The remaining balance of RM39,014,654 will be credited to the capital reserve of the Company.

[1] *On 18 February 2015, Hubline announced its intention to exit the container shipping industry by discontinuing the container shipping operations carried out by its wholly-owned subsidiary, Hub Shipping Sdn Bhd and various other subsidiaries ("**Exit of Container Business**").*

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2. Minimum scenario

2.1 Pro forma III

The pro forma III is stated after pro forma II as disclosed in Note 1.2 above and incorporated the effects of issuance of renounceable rights issue of 3,245,961,626 new Hubline Shares ("**Rights Share(s)**") on a renounceable basis of two (2) Rights Shares for every one (1) existing ordinary shares of RM0.01 each held in Hubline at the issue price of RM0.01 per Rights Share, together with 811,490,406 free detachable new warrants (hereinafter referred to as "**Warrant(s) B**") on the basis of one (1) Warrant B for every four (4) Rights Shares subscribed ("**Rights Issue**") on the Entitlement Date and on the assumption that the Rights Issue is fully subscribed.

The Warrants B attached to the Rights Shares will be issued at no cost to the entitled shareholders and/or their renouncee(s) who subscribe for the Rights Shares.

"Warrant reserve" represents the fair value of the Warrants B of RM0.01 each.

The proceeds from the Rights Issue will be utilised in the following manner:-

	RM'000
Repayment of bank borrowings	16,500
Working capital	15,160
Estimated expenses for the Par Value Reduction and Rights Issue	800
	32,460

This resulted in an increase in cash and cash equivalents and share capital of approximately RM32,459,616 respectively. The estimated expenses in relation to Par Value Reduction and Rights Issue of RM800,000 will be debited to retained profits.

As the above variables are subject to change upon the implementation of the Rights Issue, the actual quantum of the components of the "Warrant reserve" will only be determined upon the issuance of the Warrants B. As such, the actual quantum may differ from the amount computed above.

With the issuance of 811,490,406 Warrants B pursuant to the Rights Issue, Hubline has recognised the fair values of the Warrants of RM8,114,904 based on the basis as described above and debited to "Other reserve account".

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2. Minimum scenario (Cont'd)

2.2 Pro forma IV

The pro forma IV is stated after pro forma III as disclosed in Note 2.1 above and incorporated the effects of a private placement of up to 1,946,128,716 new Hubline Shares at an indicative issue price of RM0.01 per Hubline Share ("**Private Placement**"), together with up to 973,064,358 Warrants B on the basis of one (1) free Warrant B for every two (2) Placement Shares subscribed and on the assumption that the Private Placement is fully placed out. Pursuant to the Private Placement, cash and cash equivalents and share capital account increased by approximately RM19,461,287 respectively. The share issuance expenses of RM490,000 will be debited to the share premium account.

With the issuance of 973,064,358 Warrants B pursuant to the Private Placement, Hubline has recognised the fair values of the Warrants of RM9,730,643 at RM0.01 each and debited to "Other reserve account".

The proceeds from the Private Placement will be utilised in the following manner:

	RM'000
Repayment of bank borrowings	10,000
Working capital	8,971
Estimated expenses for Private Placement	490
	19,461

2.3 Pro forma V

The pro forma V is stated after pro forma IV as disclosed in Note 2.2 above and assuming the full exercise of the Warrants B into 1,784,554,764 new Hubline shares at an exercise price of RM0.01 each which will result in the increase in cash and cash equivalents and share capital of approximately RM17,845,548 and RM17,845,548 respectively, and reversal of the "Warrant reserve" of approximately RM17,845,547 to be credited to the other reserve account.

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2. Minimum scenario (Cont'd)

2.4 Effects on the pro forma consolidated statements of financial position (minimum scenario)

2.4.1 Movements in property, plant and equipment

Balance as at 30 September 2014	459,734
Effect incorporated to arrive at Pro forma I, II, III, IV and V:-	
- Impairment pursuant to the exit of container business	(229,868)
Pro forma I, II, III, IV and V	229,866

2.4.2 Movements in intangible assets

Balance as at 30 September 2014	85,353
Effect incorporated to arrive at Pro forma I, II, III, IV and V:-	
- Impairment pursuant to the exit of container business	(69,411)
Pro forma I, II, III, IV and V	15,942

2.4.3 Movements in deferred tax assets

Balance as at 30 September 2014	16,145
Effect incorporated to arrive at Pro forma I, II, III, IV and V:-	
- Written off pursuant to the exit of container business	(14,680)
Pro forma I, II, III, IV and V	1,465

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Notes to the pro forma consolidated statements of financial position

2. Minimum scenario (Cont'd)

2.4 Effects on the pro forma consolidated statements of financial position (minimum scenario) (Cont'd)

2.4.4 Movements in inventories

	RM'000
Balance as at 30 September 2014	12,396
Effect incorporated to arrive at Pro forma I, II, III, IV and V:-	
- Written off pursuant to the exit of container business	(6,531)
Pro forma I, II, III, IV and V	5,865

2.4.5 Movements in trade and other receivables

	RM'000
Balance as at 30 September 2014	138,461
Effect incorporated to arrive at Pro forma I, II, III, IV and V:-	
- Impairment pursuant to the exit of container business	(20,000)
Pro forma I, II, III, IV and V	118,461

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2. Minimum scenario (Cont'd)

2.4 Effects on the pro forma consolidated statements of financial position (minimum scenario) (Cont'd)

2.4.6 Movements in cash and bank balances

	RM'000
Balance as at 30 September 2014, Pro forma I and II	12,477
Pro forma II and the effects of the following:-	
- Proceeds from issuance of new Hubline Shares via the Rights Issue	32,460
- Repayment of bank borrowings	(16,500)
- Payment of expenses in relation to Par Value Reduction and Rights Issue	(800)
Pro forma III	27,637
Pro forma III and the effects of the following:-	
- Proceeds from issuance of new Hubline Shares via the Private Placement	19,461
- Repayment of bank borrowings	(10,000)
- Payment of expenses for the Private Placement	(490)
Pro forma IV	36,608
Pro forma IV and effect of the following:-	
- Proceeds from issuance of new Hubline Shares pursuant to the exercise of Warrants B	17,846
Pro forma V	54,454

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2. Minimum scenario (Cont'd)

2.4 Effects on the pro forma consolidated statements of financial position (minimum scenario) (Cont'd)

2.4.7 Movements in share capital

	RM'000
Balance as at 30 September 2014	579,276
Effect incorporated to arrive at Pro forma I:-	
- Reclassification of fair value of Warrants A	71,670
Pro forma I	650,946
Pro forma I and the effect of the following:-	
- Par Value Reduction	(618,399)
Pro forma II	32,547
Pro forma II and the effect of the following:-	
- Issuance of new Hubline Shares via the Rights Issue	32,460
Pro forma III	65,007
Pro forma III and the effect of the following:-	
- Issuance of new Hubline Shares via the Private Placement	19,461
Pro forma IV	84,468
Pro forma IV and the effect of the following:-	
- Issuance of new Hubline Shares pursuant to the exercise of the Warrants B	17,846
Pro forma V	102,314

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2. Minimum scenario (Cont'd)

2.4 Effects on the pro forma consolidated statements of financial position (minimum scenario) (Cont'd)

2.4.8 Movements in share premium

	RM'000
Balance as at 30 September 2014, Pro forma I, II and III	2,357
Pro forma III and the effect of the following:-	
- Estimated expenses in relation to the Private Placement	(490)
Pro forma IV and V	1,867

2.4.9 Movements in warrant reserve

	RM'000
Balance as at 30 September 2014, Pro forma I and II	71,670
Pro forma II and the effect of the following:-	
- Allocation of fair value of Warrants B from other reserve	8,115
Pro forma III	79,785
Pro forma III and the effect of the following:-	
- Allocation of fair value of Warrants B from other reserve	9,731
Pro forma IV	89,515
Pro forma IV and the effect of the following:-	
- Transfer to other reserve upon exercise of Warrants B	(17,846)
Pro forma V	71,670

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2. Minimum scenario (Cont'd)

2.4 Effects on the pro forma consolidated statements of financial position (minimum scenario) (Cont'd)

2.4.10 Movements in capital reserve

Balance as at 30 September 2014 and Pro forma I	-
Pro forma I and the effect of the following:-	
- Par Value Reduction	39,015
Pro forma II, III, IV and V	39,015

2.4.11 Movements in other reserve

Balance as at 30 September 2014	10,391
Effect incorporated to arrive at Pro forma I and II:-	
- Reclassification of fair value of Warrants A from share capital	71,670
Pro forma I and II	82,061
Pro forma II and the effect of the following:-	
- Allocation of fair value of Warrants B from "Warrant Reserve"	8,115
Pro forma III	90,176
Pro forma III and the effect of the following:-	
- Allocation of fair value of Warrants B from "Warrant Reserve"	9,731
Pro forma IV	99,907
Pro forma IV and the effect of the following:-	
- Transfer to "Warrant Reserve" upon exercise of Warrants B	(17,846)
Pro forma V	82,061

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2. Minimum scenario (Cont'd)

2.4 Effects on the pro forma consolidated statements of financial position (minimum scenario) (Cont'd)

2.4.12 Movements in (accumulated losses)/retained profits

	RM'000
Balance as at 30 September 2014	(201,418)
Effect incorporated to arrive at Pro forma I:-	
- Provisions and expenses pursuant to the exit of container business	(360,720)
Pro forma I	(562,138)
Pro forma I and the effect of the following:-	
- Par Value Reduction	579,384
Pro forma II	17,246
Pro forma II and the effect of the following:-	
- Estimated expenses in relation to Par Value Reduction and Rights Issues	(800)
Pro forma III, IV and V	16,446

2.4.13 Movements in loans and borrowings

	RM'000
Balance as at 30 September 2014, Pro forma I and II	127,433
Pro forma II and the effect of the following:-	
- Repayment of bank borrowings	(16,500)
Pro forma III	110,933
Pro forma III and the effect of the following:-	
- Repayment of bank borrowings	(10,000)
Pro forma IV and V	100,933

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2. Minimum scenario (Cont'd)

2.4 Effects on the pro forma consolidated statements of financial position (minimum scenario) (Cont'd)

2.4.14 Movements in trade and other payables

	RM'000
Balance as at 30 September 2014	50,574
Effect incorporated to arrive at Pro forma I, II, III, IV and V:-	
- Provision pursuant to the exit of container business	20,230
Pro forma I, II, III, IV and V	70,804

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3. Maximum scenario

3.1 Pro forma III

The pro forma III is stated after pro forma II as disclosed in Note 1.2 above and incorporated the effects of issuance of renounceable rights issue of up to 6,482,268,188 new Rights Shares on a renounceable basis of two (2) Rights Shares for every one (1) ordinary share of RM0.01 each held in Hubline, together with up to 1,620,567,047 free Warrants B on the basis of one (1) Warrant B for every four (4) Rights Shares subscribed and on the assumption that the Rights Issue is fully subscribed.

The Warrants B attached to the Rights Shares will be issued at no cost to the entitled shareholders and/or their renouncee(s) who subscribe for the Rights Shares.

"Warrant reserve" represents the fair value of the Warrants B of RM0.01 each.

The proceeds from the Rights Issue will be utilised in the following manner:-

	RM'000
Repayment of bank borrowings	33,000
Working capital	30,213
Estimated expenses for the Par Value Reduction and Rights Issue	1,610
	64,823

This resulted in an increase in cash and cash equivalents and share capital of approximately RM64,822,682 respectively. The estimated expenses in relation to Par Value Reduction and Rights Issue of RM1,610,000 will be debited to retained profits.

As the above variables are subject to change upon the implementation of the Rights Issue, the actual quantum of the components of the "Warrant reserve" will only be determined upon the issuance of the Warrants B. As such, the actual quantum may differ from the amount computed above.

With the issuance of up to 1,620,567,047 Warrants B pursuant to the Rights Issue, Hubline has recognised the fair values of the Warrants of RM16,205,670 based on the basis as described above and debited to "Other reserve account".

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3. Maximum scenario (Cont'd)

3.2 Pro forma IV

The pro forma IV is stated after pro forma III as disclosed in Note 3.1 above and incorporated the effects of a private placement of up to 2,917,020,684 new Hubline Shares at an indicative issue price of RM0.01 per Hubline Share ("**Private Placement**"), together with up to 1,458,510,342 Warrants B on the basis of one (1) free Warrant B for every two (2) Placement Shares subscribed and on the assumption that the Private Placement is fully placed out. Pursuant to the Private Placement, cash and cash equivalents and share capital account increased by approximately RM29,170,207 respectively. The share issuance expenses of RM730,000 will be debited to the share premium account.

With the issuance of up to 1,458,510,342 Warrants B pursuant to the Private Placement, Hubline has recognised the fair values of the Warrants of RM14,585,103 at RM0.01 each and debited to "Other reserve account".

The proceeds from the Private Placement will be utilised in the following manner:

	RM'000
Repayment of bank borrowings	15,000
Working capital	13,440
Estimated expenses for Private Placement	730
	29,170

3.3 Pro forma V

The pro forma V is stated after pro forma IV as disclosed in Note 3.2 above and assuming the full exercise of the Warrants B into 3,079,077,389 new Hubline shares at an indicative exercise price of RM0.01 each which will result in the increase in cash and cash equivalents and share capital of approximately RM30,790,774 and RM30,790,774 respectively, and reversal of the "Warrant reserve" of approximately RM30,790,773 to be credited to the other reserve account.

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3. Maximum scenario (Cont'd)

3.4 Effects on the pro forma consolidated statements of financial position (maximum scenario)

3.4.1 Movements in property, plant and equipment

	RM'000
Balance as at 30 September 2014	459,734
Effect incorporated to arrive at Pro forma I, II, III, IV and V:-	
- Impairment pursuant to the exit of container business	(229,868)
Pro forma I, II, III, IV and V	229,866

3.4.2 Movements in intangible assets

	RM'000
Balance as at 30 September 2014	85,353
Effect incorporated to arrive at Pro forma I, II, III, IV and V:-	
- Impairment pursuant to the exit of container business	(69,411)
Pro forma I, II, III, IV and V	15,942

3.4.3 Movements in deferred tax assets

	RM'000
Balance as at 30 September 2014	16,145
Effect incorporated to arrive at Pro forma I, II, III, IV and V:-	
- Written off pursuant to the exit of container business	(14,680)
Pro forma I, II, III, IV and V	1,465

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3. Maximum scenario (Cont'd)

3.4 Effects on the pro forma consolidated statements of financial position (maximum scenario) (Cont'd)

3.4.4 Movements in inventories

	RM'000
Balance as at 30 September 2014	12,396
Effect incorporated to arrive at Pro forma I, II, III, IV and V:-	
- Written off pursuant to the exit of container business	(6,531)
Pro forma I, II, III, IV and V	5,865

3.4.5 Movements in trade and other receivables

	RM'000
Balance as at 30 September 2014	138,461
Effect incorporated to arrive at Pro forma I, II, III, IV and V:-	
- Impairment pursuant to the exit of container business	(20,000)
Pro forma I, II, III, IV and V	118,461

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3. Maximum scenario (Cont'd)

3.4 Effects on the pro forma consolidated statements of financial position (maximum scenario) (Cont'd)

3.4.6 Movements in cash and bank balances

	RM'000
Balance as at 30 September 2014, Pro forma I and II	12,477
Pro forma II and the effects of the following:-	
- Proceeds from issuance of new Hubline Shares via the Rights Issue	64,823
- Repayment of bank borrowings	(33,000)
- Payment of expenses in relation to Par Value Reduction and Rights Issue	(1,610)
Pro forma III	42,690
Pro forma III and the effects of the following:-	
- Proceeds from issuance of new Hubline Shares via the Private Placement	29,170
- Repayment of bank borrowings	(15,000)
- Payment of expenses for the Private Placement	(730)
Pro forma IV	56,130
Pro forma IV and effect of the following:-	
- Proceeds from issuance of new Hubline Shares pursuant to the exercise of Warrants B	30,791
Pro forma V	86,921

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3. Maximum scenario (Cont'd)

3.4 Effects on the pro forma consolidated statements of financial position (maximum scenario) (Cont'd)

3.4.7 Movements in share capital

	RM'000
Balance as at 30 September 2014	579,276
Effect incorporated to arrive at Pro forma I:-	
- Reclassification of fair value of Warrants A	71,670
Pro forma I	650,946
Pro forma I and the effect of the following:-	
- Par Value Reduction	(618,399)
Pro forma II	32,547
Pro forma II and the effect of the following:-	
- Issuance of new Hubline Shares via the Rights Issue	64,823
Pro forma III	97,370
Pro forma III and the effect of the following:-	
- Issuance of new Hubline Shares via the Private Placement	29,170
Pro forma IV	126,540
Pro forma IV and the effect of the following:-	
- Issuance of new Hubline Shares pursuant to the exercise of the Warrants B	30,791
Pro forma V	157,331

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3. Maximum scenario (Cont'd)

3.4 Effects on the pro forma consolidated statements of financial position (maximum scenario) (Cont'd)

3.4.8 Movements in share premium

	RM'000
Balance as at 30 September 2014, Pro forma I, II and III	2,357
Pro forma III and the effect of the following:-	
- Estimated expenses in relation to the Private Placement	(730)
Pro forma IV and V	1,627

3.4.9 Movements in warrant reserve

	RM'000
Balance as at 30 September 2014, Pro forma I and II	71,670
Pro forma II and the effect of the following:-	
- Allocation of fair value of Warrants B from other reserve	16,206
Pro forma III	87,876
Pro forma III and the effect of the following:-	
- Allocation of fair value of Warrants B from other reserve	14,585
Pro forma IV	102,461
Pro forma IV and the effect of the following:-	
- Transfer to other reserve upon exercise of Warrants B	(30,791)
Pro forma V	71,670

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3. Maximum scenario (Cont'd)

3.4 Effects on the pro forma consolidated statements of financial position (maximum scenario) (Cont'd)

3.4.10 Movements in capital reserve

	RM'000
Balance as at 30 September 2014 and Pro forma I	-
Pro forma I and the effect of the following:-	
- Par Value Reduction	39,015
Pro forma II, III, IV and V	39,015

3.4.11 Movements in other reserve

	RM'000
Balance as at 30 September 2014	10,391
Effect incorporated to arrive at Pro forma I and II:-	
- Reclassification of fair value of Warrants A from share capital	71,670
Pro forma I and II	82,061
Pro forma II and the effect of the following:-	
- Allocation of fair value of Warrants B from "Warrant Reserve"	16,206
Pro forma III	98,267
Pro forma III and the effect of the following:-	
- Allocation of fair value of Warrants B from "Warrant Reserve"	14,585
Pro forma IV	112,852
Pro forma IV and the effect of the following:-	
- Transfer to "Warrant Reserve" upon exercise of Warrants B	(30,791)
Pro forma V	82,061

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3. Maximum scenario (Cont'd)

3.4 Effects on the pro forma consolidated statements of financial position (maximum scenario) (Cont'd)

3.4.12 Movements in (accumulated losses)/retained profits

	RM'000
Balance as at 30 September 2014	(201,418)
Effect incorporated to arrive at Pro forma I:-	
- Provisions and expenses pursuant to the exit of container business	(360,720)
Pro forma I	(562,138)
Pro forma I and the effect of the following:-	
- Par Value Reduction	579,384
Pro forma II	17,246
Pro forma II and the effect of the following:-	
- Estimated expenses in relation to Par Value Reduction and Rights Issues	(1,610)
Pro forma III, IV and V	15,636

3.4.13 Movements in loans and borrowings

	RM'000
Balance as at 30 September 2014, Pro forma I and II	127,433
Pro forma II and the effect of the following:-	
- Repayment of bank borrowings	(33,000)
Pro forma III	94,433
Pro forma III and the effect of the following:-	
- Repayment of bank borrowings	(15,000)
Pro forma IV and V	79,433

Stamped For Identification Purposes Only
Crowe Horwath
AF1018

HUBLINE BERHAD ("Hubline" or "the Company")
AND ITS SUBSIDIARIES ("Hubline Group")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014

Notes to the pro forma consolidated statements of financial position

3. Maximum scenario (Cont'd)

3.4 Effects on the pro forma consolidated statements of financial position (maximum scenario) (Cont'd)

3.4.14 Movements in trade and other payables

	RM'000
Balance as at 30 September 2014	50,574
Effect incorporated to arrive at Pro forma I, II, III, IV and V:-	
- Provision pursuant to the exit of container business	20,230
Pro forma I, II, III, IV and V	70,804

Building a better working world

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Chartered Accountants
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Company No: 23568-H

Independent Auditors' Report to the Members of Hubline Berhad (Incorporated in Malaysia)

Report on the financial statements

We have audited the financial statements of Hubline Berhad, which comprise the statements of financial position as at 30 September 2014 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 year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 9 to 100.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine 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 control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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.

Building a better working world

Company No: 23568-H

Independent Auditors' Report to the Members of Hubline Berhad (contd.)

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 30 September 2014 and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on other legal and regulatory requirements

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

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

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 15 to the financial statements being financial statements that have been included in the consolidated financial statements.

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

(d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

Other reporting responsibilities

The supplementary information set out in Note 35 on page 101 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Building a better working world

Company No: 23568-H

Independent Auditors' Report to the Members of Hubline Berhad (contd.)

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.

ERNST & YOUNG	CHIN MUI KHIONG PETER
AF: 0039	No. 1881/03/16 (J)
Chartered Accountants	Chartered Accountant

Kuching, Malaysia
Date: 30 January 2015

Hubline Berhad
(Incorporated in Malaysia)

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the financial year ended 30 September 2014

	Note	2014 RM	2013 RM
Revenue	4	361,654,639	388,623,207
Cost of sales		(322,523,335)	(368,463,733)
Gross profit		39,131,304	20,159,474
Other income	5	10,430,991	24,063,593
Administrative and other operating expenses		(30,497,303)	(232,560,755)
Finance costs	6	(12,875,305)	(16,100,794)
Profit/(loss) before tax	7	6,189,687	(204,438,482)
Income tax expense	10	(2,928,341)	(3,233,894)
Profit/(loss) net of tax attributable to owners of the parent		3,261,346	(207,672,376)
Other comprehensive income to be classified to profit or loss in subsequent periods			
Net gain on available-for-sale financial assets			
- Transfer to profit or loss upon disposal		-	(4,145,515)
Exchange differences on translation of foreign operations		827,466	18,146,174
Net other comprehensive income to be classified to profit or loss in subsequent periods, attributable to owners of the parent		827,466	14,000,659
Total comprehensive income for the year attributable to owners of the parent		4,088,812	(193,671,717)
Earnings/(loss)per share attributable to owners of the parent (sen):			
Basic	11(a)	0.10	(6.53)
Diluted	11(b)	N/A	N/A

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Hubline Berhad
(Incorporated in Malaysia)

Consolidated Statement of Financial Position
As at 30 September 2014

	Note	2014 RM	2013 RM
ASSETS			
Non-current assets			
Property, plant and equipment	12	459,733,605	486,931,730
Prepaid land lease payments	13	-	10,490,459
Intangible assets	14	85,352,633	85,968,987
Investment securities	16	1	1
Deferred tax assets	26	16,144,825	18,138,685
		561,231,064	601,529,862
Current assets			
Inventories	17	12,395,900	13,128,977
Trade and other receivables	18	138,460,616	139,869,319
Other current assets	19	2,958,391	2,459,953
Cash and bank balances	20	12,477,319	14,741,525
		166,292,226	170,199,774
TOTAL ASSETS		727,523,290	771,729,636
EQUITY AND LIABILITIES			
Equity attributable to owners of parent			
Share capital	21	579,276,375	579,276,375
Share premium	21	2,357,179	2,357,179
Warrant reserve	21	71,669,843	71,669,843
Treasury shares	21	(4,192,396)	(4,192,396)
Other reserves	22	(10,391,478)	(11,218,944)
Accumulated losses		(201,418,520)	(204,679,866)
Total equity		437,301,003	433,212,191
Non-current liabilities			
Loans and borrowings	23	97,313,685	114,204,105
Deferred tax liabilities	26	14,485,532	14,240,905
		111,799,217	128,445,010

Hubline Berhad
(Incorporated in Malaysia)

Consolidated Statement of Financial Position
As at 30 September 2014 (contd.)

	Note	2014 RM	2013 RM
Current liabilities			
Loans and borrowings	23	127,433,205	133,632,250
Trade and other payables	24	50,574,169	76,116,374
Other current liabilities	25	-	223,184
Tax payable		415,696	100,627
		178,423,070	210,072,435
Total liabilities		290,222,287	338,517,445
TOTAL EQUITY AND LIABILITIES		727,523,290	771,729,636

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Hubline Berhad
(Incorporated in Malaysia)
Consolidated Statement of Changes in Equity
For the financial year ended 30 September 2014

	Attributable to Owners of Parent						
	Non-Distributable					Distributable	
	Share capital (Note 21) RM	Share premium (Note 21) RM	Warrant reserve (Note 21) RM	Treasury shares (Note 21) RM	Other reserves (Note 22) RM	Retained earnings/ (accumulated losses) RM	Total equity RM
At 1 October 2012	376,165,225	33,203,565	58,705,307	(4,192,396)	(25,219,603)	113,441,654	552,103,752
Loss net of tax for the year	-	-	-	-	-	(207,672,376)	(207,672,376)
Other comprehensive income	-	-	-	-	14,000,659	-	14,000,659
Total compensative income	-	-	-	-	14,000,659	(207,672,376)	(193,671,717)
Issuance of ordinary shares pursuant to private placement	203,111,150	(30,846,386)	12,964,536	-	-	(110,449,144)	74,780,156
At 30 September 2013	579,276,375	2,357,179	71,669,843	(4,192,396)	(11,218,944)	(204,679,866)	433,212,191
Profit net of tax for the year	-	-	-	-	-	3,261,346	3,261,346
Other comprehensive income	-	-	-	-	827,466	-	827,466
Total comprehensive income	-	-	-	-	827,466	3,261,346	4,088,812
At 30 September 2014	579,276,375	2,357,179	71,669,843	(4,192,396)	(10,391,478)	(201,418,520)	437,301,003

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Hubline Berhad
(Incorporated in Malaysia)

Consolidated Statement of Cash Flows
For the financial year ended 30 September 2014

	Note	2014 RM	2013 RM
Cash flows from operating activities			
(Loss)/profit before tax		6,189,687	(204,438,482)
Adjustments for:			
Bad debts written off	7	346,783	11,205
Interest income	5	(42,666)	(344,564)
Interest expense	6	12,875,305	16,100,794
(Gain)/loss on disposal of property, plant and equipment, net	7	(2,128,335)	54,076,872
Gain on disposal of investment securities	5	-	(4,310,216)
Gain on disposal of prepaid land lease payments	5	(3,770,779)	-
Amortisation of intangible assets	7	616,354	616,354
Amortisation and prepaid land lease payments	7	100,169	109,275
Property, plant and equipment written off	7	-	1,843
Impairment loss on trade and other receivables	7	443,171	93,966,441
Impairment loss on property, plant and equipment	7	-	6,600,000
Depreciation of property, plant and equipment	7	37,083,129	41,529,104
Unrealised foreign exchangegains, net	7	(1,383,053)	(11,399,350)
Transferfrom foreign translation reserve	7	1,333,873	28,701,368
Reversal of allowance for impairment on receivables	5	(1,522,283)	-
Operating cash flows before working capital changes		50,141,355	21,220,644
Decrease in inventories		793,634	13,118,741
Decrease/(increase) in receivables		3,785,887	(1,303,969)
Increase/(decrease) in other current asset		(359,508)	802,545
(Decrease)/increasein payables		(27,035,845)	31,544,078
(Decrease)/increasein other current liabilities		(223,184)	223,184
Cash generated from operations		27,102,339	65,605,223
Interest paid		(12,875,305)	(16,100,794)
Taxes refunded		1,048,554	2,732,864
Taxes paid		(1,562,269)	(1,401,725)
Net cash generated fromoperating activities		13,713,319	50,835,568

Hubline Berhad
(Incorporated in Malaysia)

Consolidated Statement of Cash Flows
For the financial year ended 30 September 2014 (contd.)

	Note	2014 RM	2013 RM
Cash flows from investing activities			
Proceeds from disposal of prepaid land lease payment		15,654,707	-
Purchase of property, plant and equipment		(19,439,433)	(29,138,950)
Proceeds from disposal of property, plant and equipment		12,335,972	26,291,950
Proceeds from disposal of investment securities		-	9,388,526
Interest received		42,666	344,564
Net cash generated from investingactivities		8,593,912	6,886,090
Cash flows from financing activities			
Proceeds from right issues		-	75,626,542
Share issuance expense		-	(846,386)
Repayment of hire purchase and lease financing		(8,367,197)	(9,888,155)
Net repayment of other borrowings		(19,778,238)	(120,053,195)
Decrease in cash at bank and deposits with licensed bank pledged for borrowings		613,499	5,652,016
Net cashused in financiug activities		(27,531,936)	(49,509,178)
Net (decrease)/increasein cash and cash equivalents		(5,224,705)	8,212,480
Cash and cash equivalents at beginning of year		5,797,021	15,384,671
Effects of exchange rate changes		3,552,258	(17,800,130)
Cash and cash equivalents at end of year	20	4,124,574	5,797,021

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Hubline Berhad
(Incorporated in Malaysia)

Statement of Profit or Loss and Other Comprehensive Income
For the financial year ended 30 September 2014

	Note	2014 RM	2013 RM
Revenue	4	1,989,992	-
Other income	5	28,555,129	14,338,900
Administrative expenses		(3,313,502)	(258,277,882)
Finance costs	6	(6,607,957)	(8,487,050)
Profit/(loss)before tax	7	20,623,662	(252,426,032)
Income tax expense	10	-	-
Profit/(loss) net of tax, representing total comprehensive income for the year		20,623,662	(252,426,032)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Hubline Berhad
(Incorporated in Malaysia)

Statement of Financial Position
As at 30 September 2014

	Note	2014 RM	2013 RM
ASSETS			
Non-current assets			
Property, plant and equipment	12	468	869
Investments in subsidiaries	15	369,507,573	371,899,793
		369,508,041	371,900,662
Current assets			
Other receivables	18	144,646,184	142,762,009
Cash and bank balances	20	4,268,134	4,227,437
		148,914,318	146,989,446
TOTAL ASSETS		518,422,359	518,890,108
EQUITY AND LIABILITIES			
Equity attributable to owners of parent			
Share capital	21	579,276,375	579,276,375
Share premium	21	2,357,179	2,357,179
Warrant reserve	21	71,669,843	71,669,843
Treasury shares	21	(4,192,396)	(4,192,396)
Accumulated losses		(218,664,178)	(239,287,840)
Total equity		430,446,823	409,823,161
Non-current liabilities			
Loans and borrowings	23	36,163,094	55,004,852
Current liabilities			
Loans and borrowings	23	51,079,137	53,505,485
Other payables	24	709,797	533,102
Tax payable		23,508	23,508
		51,812,442	54,062,095
Total Liabilities		87,975,536	109,066,947
TOTAL EQUITY AND LIABILITIES		518,422,359	518,890,108

The accompanying accounting policies and explanatory notes form an integral part of the financialstatements.

Hubline Berhad
(Incorporated in Malaysia)

Company Statement of Changes in Equity
For the financialyear ended 30 September 2014

	← Non-Distributable →					
	Share capital (Note 21) RM	Share premium (Note 21) RM	Warrant reserve (Note 21) RM	Treasury shares (Note 21) RM	Retained earnings/ (accumulated losses) RM	Total equity RM
At 1 October 2012	376,165,225	33,203,565	58,705,307	(4,192,396)	123,587,336	587,469,037
Issuance of ordinary shares pursuant to private placement	203,111,150	(30,846,386)	12,964,536	-	(110,449,144)	74,780,156
Loss net of tax, representing total comprehensive income for the year	-	-	-	-	(252,426,032)	(252,426,032)
At 30 September 2013	579,276,375	2,357,179	71,669,843	(4,192,396)	(239,287,840)	409,823,161
Profit net of tax, representing total comprehensive income for the year	-	-	-	-	20,623,662	20,623,662
At 30 September 2014	579,276,375	2,357,179	71,669,843	(4,192,396)	(218,664,178)	430,446,823

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Hubline Berhad
(Incorporated in Malaysia)

Statement of Cash Flows
For the financial year ended 30 September 2014

	Note	2014 RM	2013 RM
Cash flows from operating activities			
Profit/(loss) before tax		20,623,662	(252,426,032)
Adjustments for:			
Dividend income	4	(1,989,992)	-
Interest income	5	(6,236,888)	(7,400,467)
Reversal of impairment loss on other receivables	5	(21,435,432)	-
Interest expense	6	6,607,957	8,487,050
Impairment loss on investment in subsidiaries	7	2,392,220	29,612,593
Impairment loss on receivables	7	-	227,353,205
Depreciation of property, plant and equipment	7	401	512
Unrealised foreign exchange gain, net	7	(660,842)	(6,938,433)
Operating cash flows before working capital changes		(698,914)	(1,311,572)
Decrease in receivables		26,896,472	122,234,771
Increase in other current asset		-	242,678
Decrease in payables		176,695	58,640
Cash generated fromoperations		26,374,253	121,224,517
Interest paid		(6,607,957)	(8,487,050)
Taxes refunded		-	918,127
Net cash generated fromoperating activities		19,766,296	113,655,594
Cash flows from investing activities			
Additional investment in subsidiaries		-	(100,000,004)
Interest received		31,416	276,371
Dividend received		1,989,992	-
Net cash generated from/(used in) investing activities		2,021,408	(99,723,633)

Hubline Berhad
(Incorporated in Malaysia)

Statement of Cash Flows
For the financial year ended 30 September 2014 (contd.)

	Note	2014 RM	2013 RM
Cash flows from financing activities			
Proceeds from rights issues		-	75,626,542
Share issuanceexpense		-	(846,386)
Net repaymentof borrowings		(21,759,193)	(100,708,922)
(Increase)/decrease in cash at bank and deposits with licensed bank pledged for borrowings		(41,203)	8,441,718
Net cash used in financing activities		(21,800,396)	(17,487,048)
Netdecrease in cash and cash equivalents		(12,692)	(3,555,087)
Cash and cash equivalents at beginning of year		(468,745)	3,086,342
Cash and cash equivalents at end of year	20	(481,437)	(468,745)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Hubline Berhad
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 September 2014

1. Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Wisma Hubline, Lease 3815 (Lot 10914), Section 64, KTLD, Jalan Datuk Abang Abdul Rahim, 93450 Kuching, Sarawak.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries are described in Note 15. There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 30 January 2015.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") as issued by Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. At the beginning of the current financial year, the Group and the Company adopted new and revised MFRS and IC Interpretations which are mandatory for financial periods beginning on or after 1 January2013 as described fully in Note 2.2.

The financial statements of have been prepared on the historical basis except as disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia (RM).

2. Summary of significant accounting policies (contd.)

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 October 2013, the Group and the Company adopted the following new and amendedMFRSs and IC Interpretations mandatory for annual periods beginning on or after 1 January 2013:

Description	Effective for annual periods beginning on or after
MFRS 3 Business Combination (IFRS 3 Business Combinations issued by IASB in March 2004)	1 January 2013
MFRS 10 Consolidated Financial Statements	1 January 2013
MFRS 11 Joint Arrangements	1 January 2013
MFRS 12 Disclosure of Interests in Other Entities	1 January 2013
MFRS 13 Fair Value Measurement	1 January 2013
MFRS 119 Employee Benefits (IAS 19 as amended by IASB in June 2011)	1 January 2013
MFRS 127 Separate Financial Statements (IAS 27 as amended by IASB in May 2011)	1 January 2013
MFRS 128 Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)	1 January 2013
MFRS 127 Consolidations and Separate Financial Statements (IAS 27 Consolidated and Separate Financial Statements revised by IASB in December 2003	1 January 2013
Amendments to MFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 1 - Government Loans	1 January 2013
Amendments to MFRS 10, MFRS 11, MFRS 12 Consolidated Financial Statements, Joint Arrangements, Disclosure of Interests inOther Entities: Transition Guidance	1 January 2013
Annual Improvements to MFRSs 2009 - 2012 Cycle	1 January 2013
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

Hubline Berhad
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 September 2014

2. Summary of significant accounting policies (contd.)

2.2 Changes in accounting policies (contd.)

The adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and the Company, except as discussed below:

MFRS 10 Consolidated Financial Statements

MFRS 10 replaces part of MFRS 127: Consolidated and Separate Financial Statements that deal with consolidated financial statements and IC Interpretation 112: Consolidation - Special Purpose Entities.

Under MFRS 10, an investor controls an investee when (a) the investor has power over an investee, (b) the investor has exposure, or rights, to variable returns from its involvement with the investee, and (c) the investor has ability to use its power over the investee to affect the amount of the investor's returns. Under MFRS 127: Consolidated and Separate Financial Statements, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

MFRS 10 includes detailed guidance to explain when an investor has control over the investee. MFRS 10 requires the investor to take into account all relevant facts and circumstances.

The application of this new standard is expected to have no impact on the financial statements of the Group.

MFRS 12 Disclosure of Interests in Other Entities

MFRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

2. Summary of significant accounting policies (contd.)

2.2 Changes in accounting policies (contd.)

MFRS 13 Fair Value Measurement

MFRS 13 establishes a single source of guidance under MFRS for all fair value measurements. MFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under MFRS. MFRS 13 defines fair value as an exit price. As a result of the guidance in MFRS 13, the Group and the Company re-assessed its policies for measuring fair values, in particular, its valuation inputs such as non-performance risk for fair value measurement of liabilities. MFRS 13 also requires additional disclosures.

Application of MFRS 13 has not materially impacted the fair value measurements of the Group and the Company. Additional disclosures where required, are provided in the individual notes relating to the assets and liabilities whose fair values were determined.

MFRS 127 Separate Financial Statements

As a consequence of the new MFRS 10, MFRS 12, MFRS 127 is limited to accounting for subsidiaries, jointly controlled entities and associates in separate financial statements.

Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities

The amendments require additional information to be disclosed to enable users of financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. The amendment affects disclosure only and has no impact on the Group's and the Company's financial position or performance.

Hubline Berhad
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 September 2014

2. Summary of significant accounting policies (contd.)

2.3 Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intends to adopt applicable standards when they become effective.

Description	**Effective for annual periods beginning on or after**
Amendment to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendment to MFRS 10, MFRS 12 and MFRS 127 Investment Entities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21 Levies	1 January 2014
Amendments to MFRS 119: Defined Benefit Plans: Employee contributions	1 July 2014
Annual Improvements to MFRSs 2010-2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011-2013 Cycle	1 July 2014
Amendments to MFRS 10 and MFRS 128: Sale of Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture: Bearer Plants	1 January 2016
Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
MFRS 14 Regulatory Deferral Accounts	1 January 2016
Amendments to MRFS 127: Equity method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 - 2014 Cycle	1 January 2016
MFRS 15 Revenue from Contracts with Customers	1 January 2017
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018

2. Summary of significant accounting policies (contd.)

2.3 Standards issued but not yet effective (contd.)

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements of the Group and the Company in the period of initial application.

The nature of the impending changes in accounting policies on adoption of applicable amendments/standards are described below:

MFRS 9 Financial Instruments

In November 2014, the MASB issued the final version of MFRS 9 Financial Instruments which reflects all phases of thefinancial instruments project and replaces MFRS 139 Financial Instruments: Recognition and Measurement and allprevious versions of MFRS 9. The standard introduces new requirements for classification and measurement,impairment, and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018,with early application permitted. Retrospective application is required, but comparative information is notcompulsory. Early application of previous versions of MFRS 9 (2009, 2010 and 2013) is permitted if the date ofinitial application is before 1 February 2015. The adoption of MFRS 9 will have an effect on the classification andmeasurement of the Group's financial assets, but no impact on the classification and measurement of theGroup's financial liabilities.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Company controls an investee if and only if the Company has all the following:

(i) Power over the investee (i.e existing rights that give it the current ability to direct the relevant activities of the investee);
(ii) Exposure, or rights, to variable returns from its investment with the investee; and
(iii) The ability to use its power over the investee to affect its returns.

2. Summary of significant accounting policies (contd.)

2.4 Basis of consolidation (contd.)

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

(i) The size the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
(ii) Potential voting rights held by the Company, other vote holders or other parties;
(iii) Rights arising from other contractual arrangements; and
(iv) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

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

Change in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting differences is recognised directly in equity and attributed to owners of the Company.

2. Summary of significant accounting policies (contd.)

2.4 Basis of consolidation (contd.)

When the Group loses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interests, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transactions costs incurred are expensed and included in administrative expenses.

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

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

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2. Summary of significant accounting policies (contd.)

2.4 Basis of consolidation (contd.)

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

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

2.5 Subsidiaries

A subsidiary is an entity over which the Group has all the following:

(i) Power over the investee (i.e existing rights that give it the current ability to direct the relevant activities of the investee);
(ii) Exposure, or rights, to variable returns from its investment with the investee; and
(iii) The ability to use its power over the investee to affect its returns.

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

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2. Summary of significant accounting policies (contd.)

2.6 Foreign currency

(a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiariesand are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

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Notes to the Financial Statements
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2. Summary of significant accounting policies (contd.)

2.6 Foreign currency (contd.)

(c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment except for vessels under construction are stated at cost less accumulated depreciation and any accumulated impairment losses.

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For the financial year ended 30 September 2014

2. Summary of significant accounting policies (contd.)

2.7 Property, plant and equipment (contd.)

Vessels under construction are not depreciated as these assets are not available for use. Depreciation of vessels under construction commences from the date of delivery of the vessels.

Depreciation of vessels in operation, property, plant and equipmentis provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life as follows:

Buildings	25 years to 45 years
Furniture, fittings & motor vehicles	2 years to 10 years
Plant and machinery	5 years to 10 years
Vessels and vessel equipment and drydocking expenditure	3 years to 30 years
Containers and port equipment	10 years

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

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

2.8 Prepaid land lease payments

Prepaid land lease payments are initially measured at cost. Following initial recognition, prepaid land lease payments are measured at cost less accumulated amortisation and accumulated impairment losses. The prepaid land lease payments are amortised over their lease terms.

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2. Summary of significant accounting policies (contd.)

2.9 Intangible assets

(a) Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

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

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit.Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

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

2. Summary of significant accounting policies (contd.)

2.9 Intangible assets (contd.)

(b) Other intangible assets

Other intangible assets represent the development costs incurred for computer software and other related expenses of the Group. Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful life of the Group's software development costs is assessed economic useful life of 5 years and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets in accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

2.10 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

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2. Summary of significant accounting policies (contd.)

2.10 Impairment of non-financial assets (contd.)

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

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2. Summary of significant accounting policies (contd.)

2.11 Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

(a) **Financial assets at fair value through profit or loss**

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that is held primarily for trading purposes are presented as current whereas financial assets that is not held primarily for trading purposes are presented as current or non-current based on the settlement date.

2. Summary of significant accounting policies (contd.)

2.11 Financial assets (contd.)

(b) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

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

(c) Held-to-maturity investments

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

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

Held-to-maturity investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

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Notes to the Financial Statements
For the financial year ended 30 September 2014

2. Summary of significant accounting policies (contd.)

2.11 Financial assets (contd.)

(d) Available-for-sale financial assets

Available-for-sale are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

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

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2. Summary of significant accounting policies (contd.)

2.12 Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(a) Trade and other receivables and other financial assets carried at amortised cost

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

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

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

2. Summary of significant accounting policies (contd.)

2.12 Impairment of financial assets (contd.)

(b) Unquoted equity securities carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(c) Available-for-sale financial assets

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity investments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-termdeposits with a maturity term of three months or less, net of outstanding bank overdrafts.

2. Summary of significant accounting policies (contd.)

2.14 Inventories

Inventories comprise bunker, lubricant, ship stores and spare parts held for own consumption and are stated at the lower of cost and net realisable value. Cost incurred in bringing the inventories to their present location and condition are accounted for as purchase costs on first-in, first-out basis.

Cost is determined using the first in, first out method and comprises the purchase price and other direct charges.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.15 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

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2. Summary of significant accounting policies (contd.)

2.15 Financial liabilities (contd.)

(b) Other financial liabilities

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

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

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

2.16 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

2. Summary of significant accounting policies (contd.)

2.17 Employee benefits

(a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees.

(b) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2.18 Leases

(a) As lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

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

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

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Notes to the Financial Statements
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2. Summary of significant accounting policies (contd.)

2.18 Leases (contd.)

(b) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income.

2.19 Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable. The following specific recognition criteria must also be met before revenue is recognised:

(a) Freight revenue

Freight revenue for cargoes loaded onto the vessels and their relevant discharging costs are accrued in the profit or loss. Revenue and expenses from incomplete voyages are recognised in proportion to their stage of completion. The stage of completion is determined by the number of days of the voyages completed in relation to the total voyage days for vessels in voyage as at the financial year end. If it is likely that the total expenses from incomplete voyages will exceed their total revenue, the expected loss is recognised as an expense.

(b) Charter income

Income from vessels employed under charter hire and other related revenue are recognised on an accrual basis.

(c) Revenue from services

Revenue from providing shipping agency services is recognised net of discount as and when the services are performed.

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2. Summary of significant accounting policies (contd.)

2.19 Revenue recognition (contd.)

(d) Equipment rental income

Income from rental of equipment is recognised on an accrual basis.

(e) Sale of goods

Revenue from sale of goods is recognised upon transfer of significant risks and rewards of ownership to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(f) Dividend income

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

2.20 Income taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

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Notes to the Financial Statements
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2. Summary of significant accounting policies (contd.)

2.20 Income taxes (contd.)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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2. Summary of significant accounting policies (contd.)

2.20 Income taxes (contd.)

(b) Deferred tax (contd.)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.21 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 33, including the factors used to identify the reportable segments and the measurement basis of segment information.

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2. Summary of significant accounting policies (contd.)

2.22 Share capital and share issuance expenses

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

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.23 Treasury shares

When shares of the Company, that have not been cancelled, recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount is recognised in equity.

2.24 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

2. Summary of significant accounting policies (contd.)

2.24 Financial guarantee contracts (contd.)

As at reporting date, no values are placed on corporate guarantees provided by the Company to secure bank loans and other banking facilities granted to its subsidiaries where such loans and banking facilities are fully collateralised by fixed and floating charges over the property, plant and equipment and other assets of the subsidiaries and where the directors regard the value of the credit enhancement provided by the corporate guarantees is minimal.

2.25 Fair value measurements

The Group and the Company measures financial instruments, such as, derivatives, and non-financial assets such as investment properties, at fair value at each reporting date. Also, fair values of the financial instruments measured at amortised cost are disclosed in Note 30.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the ability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group and the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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2. Summary of significant accounting policies (contd.)

2.25 Fair value measurements (contd.)

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

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

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

For the purpose of fair value disclosures, the Group and the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3. Significant accounting estimates and judgements

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1 Key sources of estimation uncertainty

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

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3. Significant accounting estimates and judgements (contd.)

3.1 Key sources of estimation uncertainty (contd.)

(a) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units ("CGU") to which goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at 30 September 2014 was RM84,617,272 (2013: RM84,617,272). Further details are disclosed in Note 14.

(b) Useful lives of vessels

The cost of vessels is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these vessels to be between 5 and 30 years. Changes in the expected level of usage and regulations could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. A 5% difference in the average useful lives of these assets from management's estimates would result in approximately71% (2013: 1%) variance in profit/(loss) for the year.

(c) Impairment of loans and receivables

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

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivable at the reporting date is disclosed in Note 18.

3. Significant accounting estimates and judgements (contd.)

3.1 Key sources of estimation uncertainty (contd.)

(d) Deferred tax assets

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

Assumptions about generation of future taxable profits depend on management's estimates of future cash flows. These depends on estimates of future freight revenue, operating costs, capital expenditure, dividends and other capital management transactions. Judgement is also required about application of income tax legislation. These judgements and assumptions are subject to risks and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the statements of financial position and the amount of unrecognised tax losses and unrecognised temporary differences.

The carrying amount of deferred tax assets of the Group at 30 September 2014 was RM16,144,825(2013: RM18,138,685).

4. Revenue

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Shipping and related activities	360,550,985	387,935,278	-	-
Trading activities	1,103,654	687,929	-	-
Dividend income	-	-	1,989,992	-
	361,654,639	388,623,207	1,989,992	-

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5. Other income

	Group		Company	
	2014 RM	**2013** RM	**2014** RM	**2013** RM
Interest income	42,666	344,564	6,236,888	7,400,467
Insurance recovery	1,107,277	431,899	-	-
Gain on disposal of property, plant and equipment	2,128,335	241,491	-	-
Gain on disposal of prepaid land lease payments	3,770,779	-	-	-
Gain on disposal of investment securities	-	4,310,216	-	-
Rental income	20,130	5,350	-	-
Foreign exchange gains:				
- realised	786,223	1,000,443	154,651	-
- unrealised	668,123	17,259,362	660,842	6,938,433
Reversal of impairment loss on receivables	1,522,283	-	21,435,432	-
Miscellaneous	385,175	470,268	67,316	-
	10,430,991	24,063,593	28,555,129	14,338,900

6. Finance costs

	Group		Company	
	2014 RM	**2013** RM	**2014** RM	**2013** RM
Interest expense on:				
Borrowings	12,875,305	15,310,331	6,607,957	7,696,587
Islamic Private Debt Securities	-	790,463	-	790,463
	12,875,305	16,100,794	6,607,957	8,487,050

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7. Profit/(loss)before tax

The following amounts have been included in arriving at profit/(loss)before tax:

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Employee benefits expense (Note 8)	26,662,044	32,929,547	135,587	84,623
Non-executive directors' remuneration (Note 9)	294,173	1,171,305	176,822	120,000
Auditors' remuneration:				
- current year	388,251	360,602	36,000	37,000
- under provision in prior year	168	4,254	-	-
Amortisation of intangible assets (Note 14)	616,354	616,354	-	-
Amortisation of prepaid land lease payments (Note 13)	100,169	109,275	-	-
Bad debts written off	346,783	11,205	53,364	-
Charter hire of vessels	3,100,854	196,355	-	-
Depreciation of property, plant and equipment (Note 12)	37,083,129	41,529,104	401	512
(Gain)/loss on disposal of property, plant and equipment, net	(2,128,335)	54,076,872	-	-
Gain on disposal of prepaid land lease payments	(3,770,779)	-	-	-
Impairment loss on property, plant and equipment (Note 12)	-	6,600,000	-	-
Hire of tugs	965,721	1,766,234	-	-
Hire of equipment	2,422,509	3,045,467	-	-
Rental of premises	1,605,415	1,772,222	180,600	180,600
Property, plant and equipment written off	-	1,843	-	-
Transfer from foreign translation reserve (Note 22(b))	1,333,873	28,701,368	-	-
Impairment loss on financial asset:				
- trade receivables (Note 18)	443,171	14,169,800	-	-
- other receivables (Note 18)	-	79,796,641	-	227,353,205
Impairment of investment in				
- subsidiaries	-	-	2,392,220	29,612,593
Reversal of impairment loss on financial asset:				
- Trade receivables (Note 18)	(94,434)	-	-	-
- Other receivables (Note 18)	(1,427,849)	-	(21,435,432)	-
Foreign exchange loss/(gain), net:				
- realised	(622,505)	(1,787,744)	(154,651)	97,820
- unrealised	(1,383,053)	(11,399,350)	(660,842)	(6,938,433)
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8. Employee benefits expense

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM	RM	RM	RM
Wages and salaries	24,920,111	30,751,403	125,960	75,975
Contributions to defined contribution plan	1,511,582	1,824,905	8,517	7,926
Social security contributions	118,529	122,813	1,110	657
Other benefits	111,822	230,426	-	65
	26,662,044	32,929,547	135,587	84,623

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM1,874,213(2013: RM1,601,317) andRM63,178 (2013: RM15,000) respectively.

9. Directors' remuneration

The details of remuneration receivable by directors of the Company during the year are as follows:

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM	RM	RM	RM
Executive:				
Salaries and other emoluments	1,649,104	1,358,495	3,178	-
Fees	99,109	76,422	60,000	15,000
Bonus	-	65,000	-	-
Contributions to defined contribution plan	126,000	101,400	-	-
	1,874,213	1,601,317	63,178	15,000

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9. Directors' remuneration (contd.)

	Group		Compauy	
	2014	**2013**	**2014**	**2013**
	RM	RM	RM	RM
Non-executive:				
Salaries and other emoluments	88,600	798,600	56,822	45,000
Fees	194,941	201,421	120,000	75,000
Bonus	-	66,300	-	-
Contributions to defined contribution plan	10,632	104,984	-	-
	294,173	1,171,305	176,822	120,000
Total directors' remuneration	2,168,386	2,772,622	240,000	135,000

The number of directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of directors	
	2014	**2013**
Executive directors:		
RM300,001-RM350,000	1	-
RM1,550,001 - RM1,600,000	1	-
RM1,600,001- RM1,650,000	-	1
Non-executive directors:		
Below RM50,000	4	3
RM100,001 - RM150,000	1	-
RM350,001 - RM400,000	-	1
RM700,001 - RM750,000	-	1

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10. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 30 September 2014 and 2013 are:

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Current income tax:				
Malaysian income tax	624,841	848,470	-	-
Labuan tax	20,000	-	-	-
Foreign tax	8,605	25,863	-	-
	653,446	874,333	-	-
Under/(over)provision in prior years:				
Malaysian income tax	36,408	(176,019)	-	-
	36,408	(176,019)	-	-
Deferred tax (Note 26):				
Relating to origination and reversalof temporary differences	4,277,264	429,959	-	-
Relating to reduction in income tax rate	497,000	-	-	-
(Under)/overprovision in prior years	(2,535,777)	2,105,621	-	-
	2,238,487	2,535,580	-	-
Total income tax expense	2,928,341	3,233,894	-	-

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10. Income tax expense (contd.)

Reconciliation between tax expense and accounting profit/(loss)

The reconciliation between tax expense and the product of accounting profit/(loss)multiplied by the applicable corporate tax rate for the years ended 30 September 2014 and 2013 are as follows:

	2014 RM	2013 RM
Group		
Profit/(loss)before tax	6,189,687	(204,438,482)
Tax at Malaysian statutory tax rate of 25% (2013:25%)	1,547,421	(51,109,620)
Different tax rates in other countries	(326,637)	(257,182)
Income not subject to tax	(2,149,884)	3,426,405
Expenses not deductible for tax purposes	5,869,577	48,679,678
Effect of income subject to lower tax rate	(674,179)	-
Effect of reduction of tax rate	497,000	-
Deferred tax assets not recognised in respect of current year's unabsorbed capital allowances and tax losses	664,412	49,620
Deferred tax assets recognised on previously unrecognised tax losses and capital allowances	-	516,940
(Over)/under provision of deferred tax in prior years	(2,535,777)	2,105,621
Under/(over) provision of tax expense in prior years	36,408	(176,019)
Others	-	(1,549)
Income tax expense for the year	2,928,341	3,233,894
Company		
Profit/(loss)before tax	20,623,662	(252,426,032)
Tax at Malaysian statutory tax rate of 25% (2013: 25%)	5,155,916	(63,106,508)
Income not subject to tax	(5,856,356)	-
Expenses not deductible for tax purposes	700,440	63,106,508
Income tax expense for the year	-	-

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10. Income tax expense (contd.)

Domestic current income tax is calculated at the Malaysian statutory tax rate of 25% (2013: 25%) of the estimated assessable profit for the year. The statutory tax rate will be reduce to 24% from the current year's tax rate of 25%, effective year of assessment 2016. The computation of deferred tax as at 30 September 2014 has reflected the changes in tax rate.

Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

11. Earnings/(loss)per share

(a) Basic earnings per share amounts are calculated by dividing profit/(loss) for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares held by the Company.

The following table reflects the profit/(loss)and share data used in the computation of basic per share for the years ended 30 September:

Group

	2014 RM	2013 RM
Profit/(loss)net of tax attributable to owner of parent (RM)	3,261,346	(207,672,376)
Issued ordinary shares net of treasury at 1 October	3,241,134,094	2,160,756,063
Issuance of ordinary shares pursuant to right issues	-	1,018,219,295
Weighted average number of ordinary shares at 30 September	3,241,134,094	3,178,975,358
Basic earnings/(loss) per share (sen)	0.10	(6.53)

(b) The diluted earnings per share are not shown as the effect of the warrants on the basic earnings per share is anti-dilutive.

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12. Property, plant and equipment

	Buildings RM	Furniture, fittings and motor vehicles RM	Plant and machinery RM	Vessels and vessel equipment RM	Containers and port equipment RM	Total RM
Group						
At 30 September 2014						
Cost						
At 1 October 2013	4,715,203	15,757,519	1,022,427	506,216,607	129,618,959	657,330,715
Additions	-	381,760	-	13,273,405	5,878,268	19,533,433
Disposals	(4,715,203)	(765,324)	-	(11,005,836)	(1,277,276)	(17,763,639)
Written off	-	(3,635)	-	-	-	(3,635)
Exchange differences	-	1,565	-	721,413	217,597	940,575
Reclassifications	-	-	-	(60,557)	-	(60,557)
At 30 September 2014	-	15,371,885	1,022,427	509,145,032	134,437,548	659,976,892
Accumulated depreciation and impairment loss						
At 1 October 2013	283,161	11,068,113	940,149	123,812,948	34,294,614	170,398,985
Depreciation charge for the year (Note 7)	86,750	1,075,433	33,671	21,910,481	13,976,794	37,083,129
Disposals	(369,911)	(643,563)	-	(6,113,721)	(428,807)	(7,556,002)
Written off	-	(3,635)	-	-	-	(3,635)
Exchange differences	-	4,925	-	225,990	89,895	320,810
At 30 September 2014	-	11,501,273	973,820	139,835,698	47,932,496	200,243,287
Net carrying amount	-	3,870,612	48,607	369,309,334	86,505,052	459,733,605

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12. Property, plant and equipment (contd.)

	Buildings RM	Furniture, fittings and motor vehicles RM	Plant and machinery RM	Vessels and vessel equipment RM	Containers and port equipment RM	Total RM
Group						
At 30 September 2013						
Cost						
At 1 October 2012	4,715,203	17,352,090	2,122,427	705,537,258	110,734,709	840,461,687
Additions	-	244,366	-	9,970,697	18,923,887	29,138,950
Disposals	-	(1,205,548)	(1,100,000)	(216,638,914)	(1,971,703)	(220,916,165)
Written off	-	(666,805)	-	(838)	-	(667,643)
Exchange differences	-	33,416	-	7,348,404	1,932,066	9,313,886
At 30 September 2013	4,715,203	15,757,519	1,022,427	506,216,607	129,618,959	657,330,715
Accumulated depreciation and impairment loss						
At 1 October 2012	188,525	11,197,754	1,675,483	227,115,890	21,782,894	261,960,546
Depreciation charge for the year (Note 7)	94,636	1,404,311	117,166	26,484,252	13,428,739	41,529,104
Impairment loss recognised in profit or loss (Note 7)	-	-	-	6,600,000	-	6,600,000
Disposals	-	(906,642)	(852,500)	(137,490,000)	(1,298,201)	(140,547,343)
Written off	-	(665,800)	-	-	-	(665,800)
Exchange differences	-	38,490	-	1,102,806	381,182	1,522,478
At 30 September 2013	283,161	11,068,113	940,149	123,812,948	34,294,614	170,398,985
Net carrying amount	4,432,042	4,689,406	82,278	382,403,659	95,324,345	486,931,730

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12. Property, plant and equipment (contd.)

	Furniture & fittings	
	2014	**2013**
	RM	RM
Company		
Cost		
At 1 October/At 30 September	7,513	7,513
Accumulated depreciation		
At 1 October	6,644	6,132
Depreciation charge for the year (Note 7)	401	512
At 30 September	7,045	6,644
Net carrying amount	468	869

Asset held under finance lease

During the financial year, the Group acquired property, plant and equipment at the aggregate cost of RM19,533,433 (2013:RM29,138,450), of whichRM94,000(2013: Nil) were acquired by means of finance lease arrangements. Net book values of property, plant and equipment held under hire purchase and finance lease arrangements are as follows:

	Group	
	2014	**2013**
	RM	RM
Vessels and vessel equipment	129,039,275	132,955,122
Furniture, fittings & motor vehicles	218,121	245,755
	129,257,396	133,200,877

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12. Property, plant and equipment (contd.)

Assets pledged as security

The net carrying amount of property, plant and equipment pledged (together with legal assignment of contract proceeds of certain long-term shipping contracts as well as hull and marine insurances) for borrowings as referred to in Note 23 are as follows:

	Group	
	2014	**2013**
	RM	RM
Vessels and vessel equipment	140,750,482	108,485,365

The buildings with carrying amount of RM Nil (2013: RM4,432,042) are mortgaged to secure the subsidiary's bank loan as referred to in Note 23 to the financial statements.

13. Prepaid land lease payments

	Group	
	2014	**2013**
	RM	RM
Costs		
At 1 October	10,818,284	10,818,284
Disposal	(10,818,284)	-
At 30 September	-	10,818,284
Accumulated amortisation		
At 1 October	327,825	218,550
Amortisation (Note 7)	100,169	109,275
Disposal	(427,994)	-
At 30 September	-	327,825
Net carrying amount	-	10,490,459

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13. Prepaid land lease payments (contd.)

Assets pledged as security

The Group's prepaid land lease payments with a carrying amount of RMNil (2013: RM10,490,459) are mortgaged to secure the Group's bank loans as disclosed in Note 23.

14. Intangible assets

	Goodwill RM	Software development costs RM	Total RM
Group			
Cost			
At 1 October 2012/2013 andat 30 September 2013/2014	84,617,272	5,369,674	89,986,946
Accumulated amortisation			
At 1 October 2012	-	3,401,605	3,401,605
Amortisation (Note 7)	-	616,354	616,354
At 30 September 2013	-	4,017,959	4,017,959
Amortisation (Note 7)	-	616,354	616,354
At 30 September 2014	-	4,634,313	4,634,313
Net carrying amount			
At 30 September 2014	84,617,272	735,361	85,352,633
At 30 September 2013	84,617,272	1,351,715	85,968,987

14. Intangible assets (contd.)

The carrying amounts of goodwill are allocated to the Group's cash-generating unit (CGU) of shipping business.

The recoverable amount of a CGU isdetermined based on pre-tax cashflow projections of the shipping operations. Cashflows are extrapolated using an estimated growth rate which is not expected to exceed the long term average growth rate of the industry. The pre-tax discount rate applied to the cashflow projections are derived from the weighted average cost of capital of the Group plus a reasonable risk premium.

The key assumptions used in the value-in-use calculations are an average growth rate of 3%(2013: 3%) per annum with a discount factor of 9.6% (2013: 9.6%). Management is of the opinion that there are no foreseeable changes in any of the above assumptions that would cause the carrying amounts of the respective CGUs to materially exceed their recoverable amounts.

15. Investments in subsidiaries

	Company	
	2014	**2013**
	RM	RM
Unquoted shares at cost:		
In Malaysia	430,200,069	430,200,069
Outside Malaysia	127,482	127,482
	430,327,551	430,327,551
Less: Accumulated impairment losses	(60,819,978)	(58,427,758)
	369,507,573	371,899,793

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Proportion of ownership interest (%) 2014	2013	Principal activities
Held by the Company:				
EM Container Line Sdn. Bhd.	Malaysia	100	100	)
				) Ship owner and
EM Line Sdn. Bhd.	Malaysia	100	100	) charterer, dormant

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15. Investments in subsidiaries (contd.)

Details of the subsidiaries are as follows (contd.):

Name of subsidiaries	Country of incorporation	Proportion of ownership interest (%) 2014	2013	Principal activities
Held by the Company:				
EM Shipping Sdn. Bhd.	Malaysia	100	100	Shipping agent
EM Carriers Sdn. Bhd.	Malaysia	100	100	Shipping
Premier Spectrum Sdn. Bhd.	Malaysia	100	100	Provision of shipping supplies, dormant
Wonder Link Sdn. Bhd.	Malaysia	100	100	Investment holding
Whittler Company Limited	British Virgin Islands	100	100	Provision of marine cargo handling and shipping services, and investment holding
Grand Dragon Overseas Ltd	British Virgin Islands	100	100	Vessel chartering and containerised shipping
Chatlink Sdn. Bhd.	Malaysia	100	100	Ship owner and charterer, dormant
Hub Explorer Sdn. Bhd.	Malaysia	100	100	)) Ship owner and
Hub Fleet Sdn. Bhd.	Malaysia	100	100	) charterer, dormant
Hub Continental Shipping Sdn. Bhd.	Malaysia	100	100	Ship owner and charter
Hub Shipping Sdn. Bhd.	Malaysia	100	100	Provision of marine cargo handling and shipping services

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15. Investments in subsidiaries (contd.)

Details of the subsidiaries are as follows (contd.):

Name of subsidiaries	Country of incorporation	Proportion of ownership interest (%) 2014	2013	Priucipal activities
Held by the Company:				
Hub Warrior Sdn. Bhd.	Malaysia	100	100	)
Ozlink Sdn. Bhd.	Malaysia	100	100	) Ship owner and charterer
Patimico Sdn. Bhd.	Malaysia	100	100	)
Malaform Sdn. Bhd.	Malaysia	100	100	)
Highline Shipping Sdn. Bhd.	Malaysia	100	100	Shipping
Hub Shipping (PNG) Co. Limited*	Papua New Guinea	100	100	Shipping
Hub Shipping (S) Pte. Limited *	Singapore	100	100	Shipping
Hubline Logistics Sdn. Bhd.	Malaysia	100	100	Property holding
Hubline Asia Sdn. Bhd.	Malaysia	100	100	)
Hubline Bulk Sdn. Bhd.	Malaysia	100	100	)
Hubline Carrier Sdn. Bhd.	Malaysia	100	100	)
Hubline Delta Sdn. Bhd.	Malaysia	100	100	) Ship owner and charterer
Hubline Equity Sdn. Bhd.	Malaysia	100	100	)
Hubline Fortune Sdn. Bhd.	Malaysia	100	100	)
Hubline Glory Sdn. Bhd.	Malaysia	100	100	)
Hubline Harbor Sdn. Bhd.	Malaysia	100	100	Shipping, dormant

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15. Investments in subsidiaries (contd.)

Details of the subsidiaries are as follows (contd.):

Name of subsidiaries	Country of incorporation	Proportion of ownership interest (%) 2014	2013	Principal activities
Held through subsidiaries:				
Subsidiary of Wonder Link Sdn. Bhd.				
Hub Marine Pte. Ltd. *	Singapore	100	100	Shipping agent
Subsidiaries of Highline Shipping Sdn. Bhd.				
Many Plus Enterprise Sdn. Bhd.	Malaysia	100	100	Trading
Many Plus Engineering Sdn. Bhd.	Malaysia	100	100	Services
Many Plus Maritime Sdn. Bhd.	Malaysia	100	100	Dormant
Everline Asia Limited	Labuan, Malaysia	100	100	Shipping
Everline Shipping Co. Ltd.	Labuan, Malaysia	100	100	Shipping
Everline Shipping Sdn. Bhd.	Malaysia	100	100	Shipping
Highline Asia Sdn. Bhd.	Malaysia	100	100	)
Highline Bulk Sdn. Bhd.	Malaysia	100	100	)
Highline Carrier Sdn. Bhd.	Malaysia	100	100	)
Highline Delta Sdn. Bhd.	Malaysia	100	100	) Ship owner and charterer
Highline Equity Sdn. Bhd.	Malaysia	100	100	)
Highline Fortune Sdn. Bhd.	Malaysia	100	100	)

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15. Investments in subsidiaries (contd.)

Details of the subsidiaries are as follows (contd.):

Name of subsidiaries	Country of incorporation	Proportion of ownership interest (%) 2014	2013	Principal activities
Highline Glory Sdn. Bhd.	Malaysia	100	100	)
Highline Harbour Sdn. Bhd.	Malaysia	100	100	)
Highline Integrated Sdn. Bhd.	Malaysia	100	100	)
Highline Jade Sdn. Bhd.	Malaysia	100	100	)
Highline Kinetic Sdn. Bhd.	Malaysia	100	100	)
Highline Logistics Sdn. Bhd.	Malaysia	100	100	)
Highline Mariner Sdn. Bhd.	Malaysia	100	100	)Ship owner and)charterer
Highline Navigators Sdn. Bhd.	Malaysia	100	100	)
Highline Oceanic Sdn. Bhd.	Malaysia	100	100	)
Highline Pacific Sdn. Bhd.	Malaysia	100	100	)
Highline Quest Sdn. Bhd.	Malaysia	100	100	)
Highline Reliance Sdn. Bhd.	Malaysia	100	100	)
Highline Strategic Sdn. Bhd.	Malaysia	100	100	)
Highline Trader Sdn. Bhd.	Malaysia	100	100	)
Highline Union Sdn. Bhd.	Malaysia	100	100	)
Highline Vision Sdn. Bhd.	Malaysia	100	100	)
Many Plus Enterprise Ltd.	Marshall Islands	100	100	General trading

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15. Investments in subsidiaries (contd.)

Details of the subsidiaries are as follows contd.):

Name of subsidiaries	Country of incorporation	Proportion of ownership interest (%) 2014	2013	Principal activities
Held through subsidiaries:				
Subsidiary of Hub Shipping Sdn. Bhd.				
Hubline (China) Limited *	China	100	100	Shipping agent

* Audited by a firm other than Ernst & Young.

(a) Nil (2013: 4,000,000) ordinary shares of RM1 each of Highline Shipping Sdn. Bhd. representing a Nil% (2013: 24%)equity interest are pledged for borrowings as referred to in Note 23.

16. Investment securities

	Group 2014 RM	2013 RM
Non-current		
Available-for-sale financial assets		
Equity investment (unquoted outside Malaysia)	1	1

17. Inventories

	Group 2014 RM	2013 RM
At cost:		
Trading stocks	2,738,534	3,086,778
Consumables	9,657,366	10,042,199
	12,395,900	13,128,977

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18. Trade and other receivables

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM	RM	RM	RM
Current				
Trade receivables				
Third parties	119,481,260	150,773,780	-	-
Less: Allowance for impairment	(18,107,955)	(18,282,095)	-	-
Trade receivables, net	101,373,305	132,491,685	-	-
Other receivables				
Amount due from subsidiaries	-	-	250,615,097	577,084,708
Deposits	321,799	526,756	-	9,148
Other receivables	137,758,353	108,803,575	-	44,216
	138,080,152	109,330,331	250,615,097	577,138,072
Less: Allowance for impairment				
-other receivables	(100,992,841)	(101,952,697)	-	-
- subsidiaries	-	-	(105,968,913)	(434,376,063)
Other receivables, net	37,087,311	7,377,634	144,646,184	142,762,009
Total trade and other receivables	138,460,616	139,869,319	144,646,184	142,762,009
Add: Cash and bank balances (Note 20)	12,477,319	14,741,525	4,268,134	4,227,437
Total loans and receivables	150,937,935	154,610,844	148,914,318	146,989,446

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18. Trade and other receivables (contd.)

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 270 days (2013: 30 to 180 days) terms. Other credit terms are assessed and approved on a case-by-case basis.They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

	Group	
	2014	**2013**
	RM	RM
Neither past due nor impaired	77,187,999	125,798,201
1 to 30 days past due not impaired	8,678,699	2,299,025
31 to 60 days past due not impaired	6,444,428	481,169
61 to 90 days past due not impaired	6,702,567	931,421
More than 91 days past due not impaired	2,359,612	2,319,689
	24,185,306	6,031,304
Impaired	18,107,955	18,944,275
	119,481,260	150,773,780

Receivables that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM24,185,306 (2013: RM6,031,304)that are past due at the reporting date but not impaired.

18. Trade and other receivables (contd.)

(a) Trade receivables (contd.)

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance account used to record the impairment are as follows:

	Collective impaired RM	Individually impaired RM	Total RM
2014			
Trade receivables - nominal amount	2,909,835	15,198,120	18,107,955
Less: Allowance for impairment	(2,909,835)	(15,198,120)	(18,107,955)
	-	-	-
2013			
Trade receivables - nominal amount	2,491,779	16,452,496	18,944,275
Less: Allowance for impairment	(2,491,779)	(15,790,316)	(18,282,095)
	-	662,180	662,180

	Group 2014 RM	Group 2013 RM
Movement in allowance account:		
At 1 October	18,282,095	4,383,114
Charge for the year (Note 7)	443,171	14,169,800
Exchange differences	(522,877)	-
Written off	-	(270,819)
Reversal of impairment loss (Note 7)	(94,434)	-
At 30 September	18,107,955	18,282,095

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18. Trade and other receivables (contd.)

(b) Related party transactions

The amounts due from subsidiaries of the Company are unsecured and have no fixed terms of repayment. A certain portion of the amount due from these subsidiaries bore interest of 6.0% (2013: 6.0%) per annum.

Other receivables that are impaired

At the reporting date, the Group has provided an allowance of RM100,992,841 (2013: RM101,952,697) for impairment of the unsecured loan toother receivables with a nominal amount of RM100,992,841 (2013: RM101,952,697) respectively.

	Group	
	2014	**2013**
	RM	RM
Movement in allowance account		
At 1 October	101,952,697	17,957,791
Charge for the year (Note 7)	-	79,796,641
Exchange differences	467,993	4,198,265
Reversal of impairment loss (Note 7)	(1,427,849)	-
At 30 September	100,992,841	101,952,697

At the reporting date, the Company has provided an allowance of RM105,968,913 (2013: RM434,376,063) for impairment of the amount due from subsidiaries with a nominal amount of RM278,505,990(2013: RM560,936,005).

	Company	
	2014	**2013**
	RM	RM
Movement in allowance account		
At 1 October	434,376,063	165,052,378
Charge for the year (Note 7)	-	227,353,205
Transfer from a subsidiary	-	41,970,480
Written off due to waiver of balances	(306,971,718)	-
Reversal of impairment loss (Note 7)	(21,435,432)	-
At 30 September	105,968,913	434,376,063

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19. Other current assets

	Group	
	2014	**2013**
	RM	RM
Deferred expenditure	39,057	11,609
Prepayment	1,286,855	952,185
Tax recoverable	1,632,479	1,496,159
	2,958,391	2,459,953

20. Cash and cash equivalents

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM	RM	RM	RM
Cash on hand and at banks	8,052,719	9,591,529	4,268,134	4,227,437
Deposits with licensed banks	4,424,600	5,149,996	-	-
Cash and bank balances (Note 18)	12,477,319	14,741,525	4,268,134	4,227,437
Cash at bank and deposits with licensed banks pledged for borrowings	(5,943,927)	(6,557,426)	(3,751,788)	(3,710,585)
Bank overdrafts	(2,408,818)	(2,387,078)	(997,783)	(985,597)
Cash and cash equivalents	4,124,574	5,797,021	(481,437)	(468,745)

The weighted average effective interests rates of deposit with licensed banks as at 30 September 2014 for the Group were 2.15% (2013: 3.05%) per annum.

The Group's and the Company's deposits with licensed banks and cash at bank amounting to RM 5,943,927 (2013: RM 6,557,426) and RM 3,751,788 (2013: RM 3,710,585) respectively have been pledged for credit facilities granted as referred to in Note 23.

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21. Share capital, share premium, warrant reserve and treasury shares

	Number of Ordinary Shares of RM0.20 each		Amount				
	Share capital (issued and fully paid)	Treasury shares	Share capital (issued and fully paid) RM	Share premium RM	Total share capital and share premium RM	Warrant reserve RM	Treasury shares RM
At 1 October2012	2,174,352,663	(13,596,600)	376,165,225	33,203,565	409,368,790	58,705,307	(4,192,396)
Ordinary shares issued during the year pursuant to:							
Rights issue	1,080,378,031	-	203,111,150	(30,000,000)	173,111,150	12,964,536	-
Rights issue expenses	-	-	-	(846,386)	(846,386)	-	-
At 30 September 2013/ 30 September 2014	3,254,730,694	(13,596,600)	579,276,375	2,357,179	581,633,554	71,669,843	(4,192,396)

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21. Share capital, share premium, warrant reserve and treasury shares (contd.)

Authorised share capital

	Number of ordinary shares of RM0.20 each		Amount	
	2014	**2013**	**2014**	**2013**
	'000	'000	RM'000	RM'000
Authorised share capital	5,000,000	5,000,000	1,000,000	1,000,000
	=======	=======	=======	=======

(a) **Warrant reserve**

This represents the reserve arising from the issue of new ordinary shares with free detachable warrants effected on 11 November 2009, 20 May 2013 and 19 October 2013.

(b) **Treasury shares**

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance.

The directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares.

22. Other reserves

	Foreign currency transaction reserve	Fair value adjustment reserve	Total
	RM	RM	RM
Group			
At 1 October2012	(29,365,118)	4,145,515	(25,219,603)
Foreign currency translation	(10,555,194)	-	(10,555,194)
Transfer to profit or loss (Note (b))	28,701,368	-	28,701,368
Available-for-sale financial asset			
- gain on fair value changes	-	(4,145,515)	(4,145,515)
At 30 September2013	(11,218,944)	-	(11,218,944)
Foreign currency translation	(506,407)	-	(506,407)
Transfer to profit or loss (Note (b))	1,333,873	-	1,333,873
At 30 September 2014	(10,391,478)	-	(10,391,478)
	=======	=======	=======

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22. Other reserves (contd.)

(a) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(b) Transfer to profit or loss

During the financial year, the Company's subsidiary, Hub Shipping (PNG) Co. Limited has ceased its operations with the disposal of its business activities. Accordingly, the foreign currency translation reserve of RM1,333,873 is transferred to the profit or loss. In prior year, the Group has lost its significant influence over an associated company in Thailand. Accordingly, the foreign currency translation reserve of RM28,701,368 arising from the net investment in this foreign operation was transferred to the profit or loss.

(c) Fair value adjustment reserve

Fair value adjustment reserve represents the cumulative fair value changes, net of tax of available-for-sale financial assets until they are disposed of or impaired.

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23. Loans and borrowings

WAIER	Maturity	2014	Group 2013 RM	2014 RM	Company 2013 RM	RM
Short term borrowings						
Secured:						
Bank overdrafts	6.74%	On demand	1,411,035	1,401,481	-	-
Bills payable and bankers' acceptance	4.85%	2015	19,194,452	18,503,167	-	-
Revolving credits	4.96%	2015	7,000,000	7,000,000	-	-
Term loans	5.68%	2015	35,423,819	52,593,946	30,885,279	51,052,448
Obligation under finance lease liabilities (Note 27)	5.00%	2015	10,506,457	9,726,474	-	-
Wa'd Al Murabahah Financing	7.00%	2015	19,196,075	1,467,440	19,196,075	1,467,440
			92,731,838	90,692,508	50,081,354	52,519,888
Unsecured:						
Bank overdrafts	7.85%	On demand	997,783	985,597	997,783	985,597
Revolving credit	5.84%	2015	2,838,861	4,048,000	-	-
Onshore foreign currency loan and bill payables	5.02%	2015	30,864,723	37,906,145	-	-
			34,701,367	42,939,742	997,783	985,597
			127,433,205	133,632,250	51,079,137	53,505,485

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23. Loans and borrowings (contd.)

			Group		Company	
WAIER	**Maturity**	**2014**	**2013**	**2014**	**2013**	
			RM	RM	RM	RM
Long term borrowings						
Secured:						
Term loans	5.68%	2016-2021	20,125,000	9,625,000	-	-
Obligation under finance lease liabilities (Note 27)	5.00%	2016-2019	41,025,591	49,574,253	-	-
Wa'd Al Murabahah Financing	7.00%	2017	36,163,094	55,004,852	36,163,094	55,004,852
			97,313,685	114,204,105	36,163,094	55,004,852
Total loans and borrowings			224,746,890	247,836,355	87,242,231	108,510,337

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23. Loans and borrowings (contd.)

The remaining maturities of the loans and borrowings as at 30 September 2014and 30 September 2013are as follows:

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM	RM	RM	RM
On demand or within one year	127,433,205	133,632,250	51,079,137	53,505,485
More than one year and less than two years	65,483,263	27,745,305	20,030,307	17,322,476
More than two year and less than five years	29,705,422	82,833,800	16,132,787	37,682,376
Five years or more	2,125,000	3,625,000	-	-
	224,746,890	247,836,355	87,242,231	108,510,337

(a) The secured borrowings of the Group are secured by the following:

(i) Nil (2013: 4,000,000) ordinary shares of RM1 each of Highline Shipping Sdn. Bhd. as disclosed in Note 15(a);

(ii) Buildings, vessels and vessel equipment of the Group as disclosed in Note 12;

(iii) Prepaid land lease payments of the Group as disclosed in Note 13;

(iv) Assignment of contract proceeds of certain long-term shipping contracts and insurances of certain vessels of the Group; and

(v) Deposits with licensed banks and finance company of the Group as disclosed in Note 20.

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24. Trade and other payables

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Current				
Trade payables				
Third parties	20,102,783	36,289,050	-	-
Other payables				
Amount due to directors	835,742	875,415	335,000	225,000
Sundry payables	12,675,162	20,851,133	123,397	88,367
Deposits	103,303	199,335	-	-
Accruals	16,857,179	17,901,441	251,400	219,735
	30,471,386	39,827,324	709,797	533,102
Total trade and other payables	50,574,169	76,116,374	709,797	533,102
Add: Loans and borrowings	224,746,890	247,836,355	87,242,231	108,510,336
Total financial liabilities carried at amortised cost	275,321,059	323,952,729	87,950,028	109,043,438

(a) Trade payables

Trade payables are non-interest bearing and the normal credit terms granted to the Group range from 30 to 90 days (2013: 30 to 90 days).

(b) Amount due to directors

The amount due to directors is unsecured, non-interest bearing and is repayable on demand.

(c) Sundry payables

These amounts are non-interest bearing. Sundry payables are normally settled on an average term of six months (2013: average term of six months).

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25. Other current liabilities

	Group	
	2014	**2013**
	RM	RM
Deferred revenue	-	223,184

26. Deferred tax

	Group	
	2014	**2013**
	RM	RM
At 1 October	3,897,780	6,433,360
Recognised in profit or loss (Note 10)	(2,238,487)	(2,535,580)
At 30 September	1,659,293	3,897,780
Presented after appropriate offsetting as follows:		
Deferred tax assets	16,144,825	18,138,685
Deferred tax liabilities	(14,485,532)	(14,240,905)
	1,659,293	3,897,780

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred tax liabilities of the group:

	Property,plant andequipment
	RM
At 1 October 2013	(48,403,894)
Recognised in profit or loss	(4,261,173)
At 30 September 2014	(52,665,067)
At 1 October 2012	(37,230,493)
Recognised in profit or loss	(11,173,401)
At 30 September 2013	(48,403,894)

26. Deferred tax (contd.)

Deferred tax assets of the group:

	Unrealised foreign exchange RM	Allowance for impairment RM	Unabsorbed capital allowances RM	Total RM
At 1 October 2013	(69,660)	1,479,000	50,892,334	52,301,674
Recognised in profit or loss	17,810	2,597,000	(592,124)	2,022,686
At 30 September 2014	(51,850)	4,076,000	50,300,210	54,324,360
At 1 October 2012	4,165	551,075	43,108,613	43,663,853
Recognised in profit or loss	(73,825)	927,925	7,783,721	8,637,821
At 30 September 2013	(69,660)	1,479,000	50,892,334	52,301,674

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

	Group 2014 RM	Group 2013 RM
Unused tax losses	10,408,000	8,047,000
Unabsorbed capital allowances	14,192,000	5,888,000
	24,600,000	13,935,000

The availability of the unusedtax losses and unabsorbed capital allowances for offset against future taxable profits of the respective subsidiaries are subject to no substantial changes in shareholdings of those subsidiaries under the Income Tax Act, 1967 and guidelines issued by the tax authority.

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Notes to the Financial Statements
For the financial year ended 30 September 2014

27. Commitments

Finance lease commitments

The Group has finance leases for certain items of plant and equipment and furniture and fixtures (Note 12). These leases do not have terms of renewal, but have purchase options at nominal values at the end of the lease term.

Future minimum lease payments under finance leases together with present value of then net minimum lease payments are as follows:

	Group	
	2014	**2013**
	RM	RM
Minimum lease payments:		
Not later than one year	12,838,044	12,443,158
Later than one year but not later than two years	41,674,252	11,232,496
Later than two years but not later than five years	75,774	41,365,630
Total minimum lease payments	54,588,070	65,041,284
Less: Amount representing finance charges	(3,056,022)	(5,740,557)
Present value of minimum lease payments	51,532,048	59,300,727
Present value of payments:		
Not later than one year	10,506,457	9,726,474
Later than one year but not later than two years	40,952,956	8,922,829
Later than two years but not later than five years	72,635	40,651,424
Present value of minimum lease payments	51,532,048	59,300,727
Less: Amount due within 12 months (Note 23)	(10,506,457)	(9,726,474)
Amount due after 12 months (Note 23)	41,025,591	49,574,253

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28. Related party transactions

(a) In addition to the transactions detailed elsewhere in the financial statements, the Company had the following transactions with related parties during the financial year:

	Company	
	2014	**2013**
	RM	RM
Subsidiaries:		
Dividend income	1,989,992	-
Interest income	6,205,472	7,124,096

(b) **Compensation of key management personnel**

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM	RM	RM	RM
Short-term employee benefits	6,552,902	6,665,974	240,000	135,000
Post-employment benefits:				
Defined contribution plan	473,963	465,560	-	-
	7,026,865	7,131,534	240,000	135,000

Included in the total key management personnel are:

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM	RM	RM	RM
Directors' remuneration (Note 9)	2,168,386	2,772,622	240,000	135,000

29. Fair value of financial instruments

A. Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value.

	Note	2014 Carrying amount RM	2014 Fair value RM	2013 Carrying amount RM	2013 Fair value RM
Financial liabilities:					
Group					
Non-current					
- Obligations under finance leases	23	51,532,048	56,375,789	59,300,727	64,593,064
- Fixed rate bank loans and bonds	23	55,359,169	53,478,982	56,472,292	55,749,580
Company					
Non-current					
- Fixed rate bank loans and bonds	23	55,359,169	53,478,982	56,472,292	55,749,580

B. Determination of fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	18
Loans and borrowings	23
Trade and other payables	24

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The carrying amounts of the current portion of loans and borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

29. Fair value of financial instruments (contd.)

Obligation under finance lease

The fair values of these financial instruments are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or lease arrangements at the reporting date.

30. Fair value measurement

Fair value measurement hierarchy

The Group and the Company classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - Quoted prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability; either directly or indirectly; and

Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table provides the fair value measurement hierarchy of the Group's and the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for liabilities as at 30 September 2014 and 30 September 2013.

	Date of valuation	Level 1	Level 2	Level 3	Total
		RM	RM	RM	RM
Group					
Liabilities for which fair valuesare disclosed (Note 29)					
Loans and borrowings:					
Fixed rate bank loans	30 September 2014	-	53,478,982	-	53,478,982
Obligations under finance lease	30 September 2014	-	56,375,789	-	56,375,789
		=====	=======	====	=======

30. Fair value measurement (contd.)

Fair value measurement hierarchy (contd.)

Quantitative disclosures fair value measurement hierarchy for liabilities as at 30 September 2014 and 30 September 2013 (contd.).

	Date of valuation	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group (contd.)					
Loans and borrowings:					
Fixed rate bank loans	30 September 2013	-	55,749,580	-	55,749,580
Obligations under finance lease	30 September 2013	-	64,593,064	-	64,593,064
		=====	========	====	========
Company					
Loans and borrowings:					
Fixed rate bank loans	30 September 2014	-	53,478,982	-	53,478,982
	30 September 2013	-	55,749,580	-	55,748,580
		=====	========	====	========

31. Financial risk management objectives and policies

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

The Board of Directors reviews and agrees policies and procedures for the management of these risks.

The following sections provide details regarding the Group's and Company'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. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

31. Financial risk management objectives and policies (contd.)

(a) Credit risk (contd.)

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the statements of financial position.

- A nominal amount of RM126,104,095 (2013: RM86,188,810) relating to corporate guarantee provided by the Company to subsidiaries' borrowings.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 18(a).

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's and the Company's trade receivables at the reporting date are as follows:

	2014		2013	
	RM'000	% of total	RM'000	% of total
By country:				
North Asia	67,912	57%	83,437	55%
Malaysia	22,338	19%	18,811	12%
Other countries	29,231	24%	48,526	33%
	119,481	100%	150,774	100%

As at the reporting date, approximately 75% (2013: 75%) of the group's trade receivables were due from 2 major customers who are shipping agent located in Hong Kong and Papua New Guinea.

31. Financial risk management objectives and policies (contd.)

(a) Credit risk (contd.)

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 18.Deposits with banks and other financial institutions and investment securities that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 18.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
2014				
Group				
Financial liabilities:				
Trade and other payables	50,574,169	-	-	50,574,169
Loans and borrowings	140,827,552	104,925,186	2,333,421	241,086,159
Total undiscounted financial liabilities	191,401,721	104,925,186	2,333,421	298,660,328

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For the financial year ended 30 September 2014

31. Financial risk management objectives and policies (contd.)

(b) Liquidity risk(contd.)

Analysis of financial instruments by remaining contractual maturities (contd.)

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
2014 (contd.)				
Company				
Financial liabilities:				
Trade and other payables excluding financial guarantees *	709,797	-	-	709,797
Loans and borrowings	57,967,972	42,465,370	-	100,433,342
Total undiscounted financial liabilities	58,677,769	42,465,370	-	101,143,139
2013				
Group				
Financial liabilities:				
Trade and other payables	76,116,374	-	-	76,116,374
Loans and borrowings	149,904,049	122,321,123	3,966,813	276,191,985
Total undiscounted financial liabilities	226,020,423	122,321,123	3,966,813	352,308,359

31. Financial risk management objectives and policies (contd.)

(b) Liquidity risk (contd.)

Analysis of financial instruments by remaining contractual maturities (contd.)

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
2013 (contd.)				
Company				
Financial liabilities:				
Trade and other payables excluding financial guarantees *	533,102	-	-	533,102
Loans and borrowings	63,607,849	62,503,247	-	126,111,096
Total undiscounted financial liabilities	64,140,951	62,503,247	-	126,644,198

* At the reporting date, the counterparty to the financial guarantees does not have a right to demand as the default has not occurred. Accordingly, financial guarantees under scope of MFRS 139 are not included in the above maturity profile analysis.

(c) Interest rate risk

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

The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings. All of the Group's and the Company's financial assets and liabilities at floating rates are re-priced to market interest rate.

31. Financial risk management objectives and policies (contd.)

(c) Interest rate risk (contd.)

Sensitivity analysis for interest rate risk

The table below demonstrates the sensitivity to a reasonably possible change in interest rates with all other variables held constant, of the Group's and the Company's profit net of tax through the impact on interest expenses on floating rate loans as borrowings.

	Increase/ decrease in basis points	Group Effect on profit/(loss) net of tax RM	Company Effect on profit/(loss) net of tax RM
2014			
Loans and borrowings	+50	(423,061)	(108,117)
Loans and borrowings	-50	423,061	108,117
2013			
Loans and borrowings	+50	464,083	168,794
Loans and borrowings	-50	(464,083)	(168,794)

(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.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currencies of Group, primarily RM. The foreign currencies in which these transactions are denominated are mainly US Dollars ("USD").

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including Singapore, People's Republic of China, Papua New Guinea and Thailand. The Group's net investments are not hedged as currency positions are considered to be long-term in nature.

31. Financial risk management objectives and policies (contd.)

(d) Foreign currency risk (contd.)

Sensitivity analysis for foreign currency risk

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

		Group 2014 Profit net of tax RM	Company 2014 Profit net of tax RM
USD/RM	- strengthened 10%	(355,183)	(3,925,876)
	- weakened 5%	177,592	1,962,938
SGD/RM	- strengthened 5%	198,217	-
	- weakened 5%	(198,217)	-

		Group 2013 Loss net of tax RM	Company 2013 Loss net of tax RM
USD/RM	- strengthened 5%	(1,123,423)	2,005,410
	- weakened 10%	2,246,845	(4,010,819)
SGD/RM	- strengthened 3%	(81,160)	-
	- weakened 5%	135,266	-
PGK/RM	- strengthened 5%	(678,288)	-
	- weakened 10%	1,356,577	-

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32. Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios to support its business and maximise shareholder value. No changes were made in the objective, policies and processes during the years ended 30 September 2014 and 2013.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowing, trade and other payables, less cash and bank balances. Capital includes equity attributable to owners of the parent.

		Group		Company	
	Note	**2014**	**2013**	**2014**	**2013**
		RM	RM	RM	RM
Net debt					
Loans and borrowings	23	224,746,890	247,836,355	87,242,231	108,510,337
Trade and other payables	24	50,574,169	76,116,374	709,797	553,102
Less: Cash and bank balance20	(12,477,319)	(14,741,525)	(4,268,134)	(4,227,437)	
		262,843,740	309,211,204	83,683,894	104,836,002
Capital					
Equity attributable to owners of the parent		437,301,003	433,212,191	430,446,823	409,823,161
Capital and net debt		700,144,743	742,423,395	514,130,717	514,659,163
Gearing ratio		37.5%	41.6%	16.3%	20.4%

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Notes to the Financial Statements
For the financial year ended 30 September 2014

33. Segment information

For management purposes, the Group is organised into business units based on their products and services, and has tworeportable operating segments as follows:

i. The shipping segment is involved in shipping and related activities.

ii. The trading segment is involved in sales of coal and scrapped iron, sales of machine parts and accessories, repair and maintenance of equipment and hire of equipment.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

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Notes to the Financial Statements
For the financial year ended 30 September 2014

33. Segment information (contd.)

30 September 2014

	Trading RM	Shipping & related activities RM	Adjustments and eliminations RM	Note	Consolidated RM
Revenue					
External sales	1,103,654	360,550,985	-		361,654,639
Inter-segment sales	3,094,188	-	(3,094,188)	A	-
Total revenue	4,197,842	360,550,985	(3,094,188)		361,654,639
Results					
Interest income	103	42,563	-		42,666
Depreciation and amortisation	2,465	37,797,187	-		37,799,652
Other non-cash expenses	-	(6,631,443)	-	B	(6,631,443)
Segment (loss)/profit	(101,142)	20,500,007	(14,209,178)	C	6,189,687
Assets					
Additions to non-current assets	-	19,533,433	-	D	19,533,433
Segment assets	10,725,923	724,307,469	(7,510,102)	E	727,523,290

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Notes to the Financial Statements
For the financial year ended 30 September 2014

33. Segment information (contd.)

30 September 2013

	Trading RM	Shipping & related activities RM	Adjustments and eliminations RM	Note	Consolidated RM
Revenue					
External sales	687,929	387,935,278	-		388,623,207
Inter-segment sales	3,170,056	-	(3,170,056)	A	-
Total revenue	3,857,985	387,935,278	(3,170,056)		388,623,207
Results					
Interest income	413	344,151	-		344,564
Depreciation and amortisation	2,919	42,251,814	-		42,254,733
Impairment losses on property, plant and equipment	-	6,600,000	-		6,600,000
Other non-cash expenses	-	148,080,581	-	B	148,080,581
Segment profit/(loss)	231,993	(163,256,334)	(41,414,141)	C	(204,438,482)
Assets					
Additions to non-current assets	-	33,196,803	-	D	33,196,803
Segment assets	10,557,066	763,765,013	(2,592,443)	E	771,729,636

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Notes to the Financial Statements
For the financial year ended 30 September 2014

33. Segment Information (contd.)

A Inter-segment revenues are eliminated on consolidation.

B Other material non-cash expenses consist of the following items as presented in the respective notes to the financial statements:

	2014 RM	2013 RM
Impairment of financial assets:		
- Trade and other receivables	443,171	93,966,441
- Bad debts written off	346,783	11,205
Reversal of impairment on trade and other receivables	(1,522,283)	-
Property, plant and equipment written off	-	1,843
Gain/(loss) on disposal of property, plant and equipment	(2,128,335)	54,101,092
Gain on disposal of prepaid land lease payment	(3,770,779)	-
	(6,631,443)	148,080,581

C The following items are added to/(deducted from) segment profit to arrive at "profit/(loss) before tax" presented in the consolidated statement of comprehensive income:

	2014 RM	2013 RM
Foreign exchange loss recognised in other comprehensive income	-	3,388,021
Foreign exchange losstransferredfrom translation reserve	(1,333,873)	(28,701,368)
Finance costs	(12,875,305)	(16,100,794)
	(14,209,178)	(41,414,141)

D Additions to non-current assets consists of:

	2014 RM	2013 RM
Property, plant and equipment	19,533,433	29,138,950

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Notes to the Financial Statements
For the financial year ended 30 September 2014

33. Segment information (contd.)

E The following items are deducted from segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2014 RM	2013 RM
Inter-segment assets	(7,510,102)	(2,592,443)

Geographical information

Management considers that the Group operates in a single geographic area, namely in Asia-Pacific region, and has, therefore, only one major geographic segment.

Information about major customers

Revenue from one major customer amount to RM24,572,442 (2013: RM19,658,473) arising from sales.

34. Significant events

On 6 November 2014 and7 November 2014, the Group through its wholly owned subsidiary, incorporated two subsidiaries under Labuan jurisdiction, Everline Bulk Limited and Everline Carrier Limited respectivelywith paid-up capital of USD1 each. The intended principal activities of these subsidiaries are shipping.

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For the financial year ended 30 September 2014

35. SUPPLEMENT INFORMATION - BREAKDOWN OF REALISED AND UNREALISED PROFIT/(LOSSES) DISCLOSURES

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM	RM	RM	RM
Total retained earnings of Hubline Berhad and its subsidiaries:				
- Realised	(572,617,827)	(577,539,041)	(219,325,020)	(246,226,273)
- Unrealised	1,610,113	15,297,130	660,842	6,938,433
	(571,007,714)	(562,241,911)	(218,664,178)	(239,287,840)
Less: Consolidation adjustments	369,589,194	357,562,045	-	-
Total accumulated losses	(201,418,520)	(204,679,866)	(218,664,178)	(239,287,840)

Company No. 23568-H

APPENDIX V

UNAUDITED CONSOLIDATED QUARTERLY RESULTS OF OUR GROUP FOR THE TWELVE (12) MONTHS FYE 30 SEPTEMBER 2015

HUBLINE BERHAD
(Company No:23568-H)

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YEO PUAY HUANG

QUARTERLY REPORT

This is a quarterly report on consolidated results for the financial quarter ended 30 September 2015

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2015

	INDIVIDUAL QUARTER		CUMULATIVE	
	Current Year Quarter Ended 30.09.2015 RM '000	Preceding Year Quarter Ended 30.09.2014 RM '000	Current Year To Date 30.09.2015 RM '000	Preceding Year To Date 30.09.2014 RM '000
Revenue	23,274	85,049	158,016	361,654
Operating Expenses	(19,197)	(78,435)	(139,030)	(322,523)
	4,077	6,614	18,986	39,131
Other Operating Income	11,964	6,177	14,093	10,431
Administrative Expenses	(3,826)	(10,952)	(23,970)	(30,497)
Other Expenses	(2,804)	-	(363,525)	-
Finance Cost	(3,450)	(3,519)	(12,652)	(12,875)
Profit/ (Loss) before taxation	5,961	(1,680)	(367,068)	6,190
Taxation	296	(2,082)	(12,128)	(2,928)
Profit/ (Loss) for the period	6,257	(3,762)	(379,196)	3,262
Other comprehensive income:				
Currency translation differences	(8,553)	2,729	(8,997)	827
Net (Loss)/Gain on available for sale financial assets	-	-	-	-
Total Comprehensive income for the period	(2,296)	(1,033)	(388,193)	4,089
Profit/ (Loss) attributable to:				
Equity holders of the parent	6,257	(3,762)	(379,196)	3,262
Total comprehensive income attributable to:				
Equity holders of the parent	(2,296)	(1,033)	(388,193)	4,089
Earnings per share attributable to equity holders of the parent (sen)				
Basic	0.19	-0.12	-11.70	0.10
Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 September 2014)

HUBLINE BERHAD
(Company No:23568-H)

QUARTERLY REPORT

This is a quarterly report on consolidated results for the financial quarter ended 30 September 2015

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2015

	AS AT END OF CURRENT QUARTER 30.09.2015	AS AT PRECEEDING FINANCIAL YEAR ENDED 30.09.2014
ASSETS	RM'000	RM'000
Non Current Assets		
Property, Plant and Equipment	228,175	459,733
Intangible assets	15,207	85,353
Deferred tax assets	1,569	16,145
	244,951	561,231
Current Assets		
Inventories	4,823	12,396
Trade and Other receivables	89,455	141,419
Tax recoverable	825	-
Cash and cash equivalents	4,356	12,477
	99,459	166,292
TOTAL ASSETS	344,410	727,523
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	579,276	579,276
Treasury shares	(4,192)	(4,192)
Reserves	(525,976)	(137,783)
Total equity	49,108	437,301
Non-current liabilities		
Long term borrowings	123,281	97,314
Deferred tax liabilities	10,985	14,485
	134,266	111,799
Current Liabilities		
Short term borrowings	77,096	127,433
Trade & Other payables	83,590	50,574
Taxation	350	416
	161,036	178,423
Total liabilities	295,302	290,222
TOTAL EQUITY AND LIABILITIES	344,410	727,523
Net assets per share (RM)	0.015	0.13

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 September 2014)

HUBLINE BERHAD
(Company No:23568-H)

QUARTERLY REPORT

This is a quarterly report on consolidated results for the financial quarter ended 30 September 2015

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2015

	CURRENT YEAR TO DATE ENDED 30.09.2015 RM'000	PRECEDING YEAR TO DATE ENDED 30.09.2014 RM'000
Profit/ (Loss) before taxation	(367,068)	6,190
Adjustments for :-		
Non-operating items	305,873	31,119
Interest expenses	12,652	12,875
Interest income	(34)	(43)
Operating profit before working capital changes	(48,577)	50,141
Net change in current assets	57,334	4,220
Net change in current liabilities	32,950	(27,259)
Tax (paid)/ refunded	17	(514)
Interest paid	(12,652)	(12,875)
Net cash generated from/ (used in) operating activities	29,072	13,713
Investing activities		
Purchase of property, plant and equipment	(49,637)	(19,439)
Proceeds from sales of investment, property, plant and equipment	29,576	27,990
Interest received	34	43
Net cash (used in)/generated from investing activities	(20,027)	8,594
Financing activities		
Repayment of bank borrowings	(39,644)	(27,532)
Proceeds from borrowings	15,000	-
Net cash (used in)/generated from financing activities	(24,644)	(27,532)
Net changes in cash and cash equivalents	(15,599)	(5,225)
Cash and cash equivalents at beginning of financial period	10,068	5,797
Effects of Exchange Rate Changes	7,204	3,552
Cash and cash equivalents at end of the financial period	1,673	4,124

Cash and cash eqnivalents at the end of the financial period comprise the following:

Cash and hank balances	4,356	6,533
Bank overdraft	(2,683)	(2,409)
Cash and cash equivalents	1,673	4,124

(The Condensed Consolidated Statement of Cash Flows should be read in conjuuction with the Annual Financial Report for the year ended 30 September 2014)

UNAUDITED CONSOLIDATED QUARTERLY RESULTS OF OUR GROUP FOR THE TWELVE (12) MONTHS FYE 30 SEPTEMBER 2015 (Cont'd)

HUBLINE BERHAD
(Company No:23568-H)

QUARTERLY REPORT

This is a quarterly report on consolidated results for the financial quarter ended 30 September 2015

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2015

	<----- Attributable to Equity Holders of the Parent						----->		
	<----- Non-distributable				----->	Distributable			
	Share capital RM'000	Warrant reserve RM'000	Treasury shares RM'000	Share premium RM'000	Other reserves RM'000	Retained Profit RM'000	Total Equity RM'000	Minority Interest RM'000	Total Equity RM'000
YEAR ENDED 30 SEP 2014									
At 1 October 2013	579,276	71,670	(4,192)	2,357	(11,219)	(204,680)	433,212	-	433,212
Total comprehensive income for the period					827	3,262	4,089	-	4,089
At 30 September 2014	579,276	71,670	(4,192)	2,357	(10,392)	(201,418)	437,301	-	437,301
YEAR ENDED 30 SEP 2015									
At 1 October 2014	579,276	71,670	(4,192)	2,357	(10,392)	(201,418)	437,301	-	437,301
Total comprehensive income for the period					(8,997)	(379,196)	(388,193)	-	(388,193)
At 30 September 2015	579,276	71,670	(4,192)	2,357	(19,389)	(580,614)	49,108	-	49,108

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 September 2014.)

HUBLINE BERHAD
(Company No:23568-H)

NOTES TO THE INTERIM FINANCIAL REPORT – FRS 134

A1. Basis of preparation

The Interim Financial Report of the Group has been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board, and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. These condensed consolidated interim financial statements should be read in conjunction with the annual audited financial statements of Hubline Berhad and its subsidiaries for the financial year ended 30 September 2014.

The significant accounting policies and methods of computation adopted in the preparation of this interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 30 September 2014 except for the adoption of the following new standards and amendments to standards issued by the Malaysian Accounting Standards Board for the financial year commeneing 1 October 2014:

- MFRS 10: Consolidated Financial Statements
- MFRS 11: Joint Arrangements
- MFRS 12: Diselosure of Interests in Other Entities
- Amendments to MFRS 119 Defined Benefits Plans: Employee Contribution
- Amendments to MFRSs Annual Improvements to MFRSs 2010 -2012 cycle

A2. Auditors' report on preceding Annual Financial Statements

The auditors' report on the Group's financial statements for the year ended 30 September 2014 was not qualified.

A3. Seasonality or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

A4. Material and unusual items

There were no exceptional items in the quarterly financial statement under review.

A5. Changes in estimates

There were no changes in the estimates of amounts, which give a material effect in the current interim period.

A6. Debts and equity securities

There were no issuances, cancellations, repurchases, resale of debts and equity securities during the financial period under review.

A7. Dividend

No dividends have been declared or paid for the current financial period to date.

HUBLINE BERHAD
(Company No:23568-H)

A8. Segmental Information

	Shipping & Related Activities RM'000	Elimination RM'000	Group RM'000
Revenue			
External sales	158,016	-	158,016
Inter-segment sales			
Total revenue	158,016	-	158,016
Results			
Interest income	34		34
Finance cost	(12,652)		(12,652)
Segment (loss)/profit before taxation	(367,068)		(367,068)

A9. Profit before tax

The following items have been included in arriving at profit/loss before tax:

	INDIVIDUAL QUARTER		CUMULATIVE	
	Current Year Quarter Ended 30.09.2015 RM '000	Preceding Year Quarter Ended 30.09.2014 RM '000	Current Year To Date 30.09.2015 RM '000	Preceding Year To Date 30.09.2014 RM '000
Interest income	8	16	34	40
Other income	540	693	2,119	2,033
Foreign exchange gains/(losses) (net)	10,035	2,391	11,307	3,593
Gain/(Loss) on disposal of property, plant and equipment and investments	-	4,042	82	4,360
Depreciation and amortisation	(2,435)	(9,207)	(18,361)	(37,812)
Container division exit provisions & expenses	(2,804)	-	(363,525)	-

A10. Valuations of property, plant and equipment

The valuations of property, plant and equipment have been brought forward, without amendment from the most recent annual audited financial statements.

A11. Subsequent material events

There were no material events subsequent to the end of the current quarter that has not been reflected in the financial statements for the current period.

HUBLINE BERHAD
(Company No:23568-H)

A12. Changes in composition of the Company

There was no change in the composition of the Group during the current quarter under review except, on 8 July 2015, the Group announced that Hub Shipping (PNG) Co Ltd and Hubline (China) Limited, two wholly owned subsidiaries be deregistered. Additionally, on 25 September 2015, the Group announouneed the striking off of dormant wholly owned subsidiaries, Hubline Bulk Sdn Bhd and Hubline Harbor Sdn Bhd. Further, on 29 September 2015 the Group also announced to dissolve a wholly owned foreign subsidiary, Manyplus Enterprise Ltd. All these dissolutions were part of the Group's restructuring plan and their deregistration/ strike-off/ dissolution would not have a material effect on the earnings and net assets of the Group.

A13. Changes in contingent liabilities or contingent assets

The contingent liabilities of the Company are as follows:

	RM'000
Corporate Guarantees given to financial institutions and third parties for credit facilities provided to subsidiaries	113,170

HUBLINE BERHAD
(Company No:23568-H)

B EXPLANATORY NOTES OF BURSA MALAYSIA LISTING REQUIREMENTS

B1. Review of performance

Group revenue for the quarter ended 30 September 2015 was RM 23.27 million as compared to RM 85.05 million in the corresponding period of the previous year. The decrease was mainly attributable to the exiting of the container division.

The Group made an overall quarter profit of RM 5.96 million mainly due to favourable exchange gains of RM 10 million. The Group incurred an additional RM 2.8 million in container exit costs.

B2. Comparison with preceding quarter's results

The Group revenue in the current quarter was RM 23.27 million, which is marginally lower than the preceding quarter of RM 25.9 million.

Administrative expenses have decreased from RM 5.3 million in the previous quarter to RM 3.8 million in the current quarter. This was mainly due to exchange losses of RM 1.3 million recorded in the previous quarter.

B3. Commentary on Prospects

The Group's dry bulk shipping division remains steady. This division has met our expectations for the current quarter.

The Group is still working towards the exiting of the container shipping division. The Group expects to benefit from this decision to exit the container shipping division in the medium to long term.

B4. Variance of actual profit from forecast profit and shortfall in profit guarantee

Not applicable as the Group did not issue any profit forecast and /or profit guarantee for the quarter.

B5. Taxation

	Quarter ended 30 September 2015 RM'000	Year to date 30 September 2015 RM'000
Income tax charge		
- current period	(193)	(1,052)
Deferred taxation	489	(11,076)
	296	(12,128)

The income of the Group that is derived from the operations of sea-going Malaysian registered ships is partially tax exempt under Section 54A of the Income Tax Act, 1967. The taxation charge for the Group is attributable to tax in respect non-tax exempt activities of the Group.

B6. Sales of unquoted investment and/or properties

There are no sales of unquoted investment and/or properties during the current quarter and financial year to date.

B7. Purchase or disposal of quoted securities

There was no purchase or disposal of quoted securities during the current quarter.

HUBLINE BERHAD
(Company No:23568-H)

B8. Status of corporate proposals

Since our last quarterly announcement made on 28 August, 2015, we have made the following progress on our corporate proposals:

On 4 September 2015 Bursa Malaysia approved the following, subject to a few conditions:

1. Admission to the Official List and the initial listing and quotation of up to 1,620,567,047 Warrants B to be issued pursuant to the Proposed Rights Issue with Warrants;
2. Additional listing of up to 1,458,510,342 free Warrants B to be issued pursuant to the Proposed Private Placement;
3. Additional listing of up to 6,482,268,188 Rights Shares to be issued pursuant to the Proposed Rights Issue with Warrauts;
4. Additional listing of up to 2,917,020,684 Placement Shares to be issued pursuant to the Proposed Private Placement;
5. Additional listing of up to 3,079,077,389 new Hubline Shares to be issued pursuant to the exercise of the Warrants B, arising from the Proposed Rights Issue with Warrants and Proposed Private Placement;
6. Additional listing of up to 431,907,923 of Warrants A arising from the adjustments pursuant to the Proposed Rights Issue with Warrants ("Additional Warrants A"); and
7. Additional listing of up to 431,907,923 new Hubline Shares to be issued pursuant to the exercise of Additional Warrants A.

On 5 October 2015, all the resolutions as set out in the Notice of the Extraordinary General Meeting ("EGM") dated 14 September, 2015 were duly passed by the shareholders at the EGM.

On 6 October 2015 the Company filed an application to the High Court of Sabah and Sarawak in Kuching ("High Court") to obtain the sanction of the High Court for the Proposed Par Value Reductiou pursuant to Section 64 of the Act.

On 26 October 2015, the High Court granted the order confirming the Par Value Reduction pursuant to Section 64 of the Act ("**Court Order**"). The sealed copy of the Court Order has heen extracted and an office copy of the Court Order was lodged with the Companies Commission of Malaysia on 2 November 2015.

Ou 12 November 2015, the Board fixed the issue price of the rights issue at RM 0.01 per right issue share pursuant to the rights issue.

On 18 November 2015, the Abridged Prospectus for our rights issue was submitted to Securities Commission for approval.

B9. Group borrowings and debt securities

Details of the Group's borrowings at the end of the reporting period:

	RM'000
Short term borrowings:	
- secured	25,687
- unsecured	51,409
Total	77,096
Long term borrowings :	
- secured	105,102
- unsecured	18,179
Total	123,281

B10. Off balance sheet financial instruments

There are no financial instruments with off balance sheet risk at the date of this quarterly report.

B11. Derivatives

There were no derivatives entered into by the Group as at the end of the quarter under review.

HUBLINE BERHAD
(Company No:23568-H)

B12. Gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from the fair value changes of financial liabilities.

B13. Material litigation

On 15 July 2015, Textainer Equipment Management Limited ("Petitioner") made a demand to Hub Shipping Sdn Bhd ("HSSB") a wholly owned subsidiary of the Company, via a Statutory Notice dated 13 July 2015 pursuant to Section 218(1)(e), (i) & (2)(a) of the Companies Act, 1965, for payment of the sum of USD3,733,810.22. This Notiee was served while HSSB was under a Restraining Order pursuant to Section 176(10A) of the Companies Act 1965. HSSB does not agree with the Petitioner's amount of claim.

Subsequently, a winding-up petition against HSSB was presented on 25 September 2015 to Tbe High Court in Malaya at Shah Alam by the Petitioner and a copy was served at the registered office of HSSB on 2 October 2015 pursuant to the above-said Statutory Notice.

The petition is fixed to be heard on 8 January 2016.

Separately, on 24 August 2015, Northport (Malaysia) Bhd ("Plaintiff") made a demand for payment of the sum of RM3,453,442.52 against HSSB, also while HSSB was under a Restraining Order under S176 (10) Companies Act 1965. The amounts claimed arose from alleged failure to make payments for port facilities and services rendered. HSSB does not agree with the Plaintiff's amount of claim.

Subsequently, a writ of summons against HSSB and EM Shipping Sdn Bhd ("EMS") also a wholly owned subsidiary of the Company was presented on 5 October 2015 to The High Court of Shah Alam by the Plaintiff and a copy was served at the registered office of our Company on 21 October 2015. The total amount claimed by Plaintiff under the writ of summons and statement of claims is RM 3,497,188.64 together with interest, costs and other reliefs and orders as the court deems fit. The amount claimed includes items that HSSB disputes.

The case management is fixed for 12 January 2016.

In both cases, our Board is of the view that the financial and operational impact of the claims on our Group are not significant as our Group is exiting from the container shipping industry and our Company has already fully provided for the impairment of the total cost of investment in HSSB and EMS.

B14. Dividend declared

The Directors do not recommend any dividend for the quarter under review.

B15. Earnings per share

(a) **Basic**
Basic earnings per share are calculated by dividing the net profit for the quarter/year by the weighted average number of ordinary shares in issue.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 30.09.2015	Quarter Ended 30.09.2014	Year to Date ended 30.09.2015	Year to Date ended 30.09.2014
Net profit attributable to equity holders of tbe parent (RM'000)	6,257	(3,762)	(379,196)	3,262
Weighted average no. of ordinary shares ('000)	3,241,134	3,241,134	3,241,134	3,241,134
Basie earnings per share attributable to equity bolders of the parent (sen)	0.19	-0.12	-11.70	0.10

HUBLINE BERHAD
(Company No:23568-H)

(b) **Diluted**

The diluted earnings per share are not shown as the effect of the warrants on the basic earnings per share is anti-dilutive.

B16. Realised and unrealised profits/losses

	Current Quarter 30.09.2015 RM'000	Preceding Quarter 31.06.2015 RM'000
Total retained profits/(losses) of the Company and its subsidiaries		
- Realised	(1,227,237)	(1,239,253)
- Unrealised	14,600	(4,037)
	(1,212,637)	(1,243,290)
Adjust for: Consolidation adjustments	632,023	656,419
Retained profits as per financial statements	(580,614)	(586,871)

B17. Authority for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 November 2015.

HUBLine

Registered Office:
Wisma Hubline
Lease 3815 (Lot 10914)
Section 64, KTLD
Jalan Datuk Abang Abdul Rahim
93450 Kuching, Sarawak

18 NOV 2015

To: The Shareholders of Hubline Berhad

On behalf of the Board of Directors of Hubline Berhad ("**Hubline**" or the "**Company**") ("**Board**"), I wish to report that after making due enquiries in relation to Hubline and its subsidiaries ("**Group**") during the period between 30 September 2014, being the date to which the latest audited consolidated financial statements have been made up, and the date of this letter, being a date not earlier than fourteen (14) days before the date of this Abridged Prospectus:-

(a) In the opinion of the Board, save as disclosed in this Abridged Prospectus, the business of our Group has been satisfactorily maintained;

(b) In the opinion of the Board, save as disclosed in this Abridged Prospectus, no circumstances have arisen since the latest audited consolidated financial statements of our Group which have adversely affected the trading or the value of the assets of our Group;

(c) The current assets of our Group appear in the books at values which are believed to be realisable in the ordinary course of business;

(d) Save as disclosed in this Abridged Prospectus, there are no contingent liabilities which have arisen by reason of any guarantees or indemnities given by our Group;

(e) Save as disclosed in this Abridged Prospectus, there have been no default or any known event that could give rise to a default situation, in respect of payment of either interest and/ or principal sums in relation to any borrowings in our Group since the latest audited consolidated financial statements of our Group; and

(f) Save as disclosed in this Abridged Prospectus, there have been no material changes in the published reserves or any unusual factors affecting the profits of our Group since the latest audited consolidated financial statements.

Yours faithfully
For and on behalf of the Board of
HUBLINE BERHAD

DENNIS LING LI KUANG
Chief Executive Officer/Managing Director

ADDITIONAL INFORMATION

1. SHARE CAPITAL

(i) Save for the Rights Shares, Warrants B, Adjustment Warrants A, if any and the new Shares to be issued pursuant to the exercise of the Warrants B, the Outstanding Warrants A and the Adjustment Warrants A, no securities shall be allotted or issued on the basis of this Abridged Prospectus later than twelve (12) months after the date of the issuance of this Abridged Prospectus.

(ii) As at the date of this Abridged Prospectus, there is no founder, management, deferred shares or preference shares in the share capital of our Company. There is only one (1) class of shares in our Company, namely ordinary shares of RM0.01 each, all of which rank *pari passu* with one another.

(iii) All the Rights Shares and the new Shares to be issued pursuant to the exercise of the Warrants B and Adjustment Warrants A, if any shall, upon allotment and issue, rank *pari passu* in all respects with the existing issued and paid-up ordinary share capital, save and except that such Shares will not be entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid prior to the date of allotment of such Shares.

(iv) As at the date of this Abridged Prospectus, save for the warrantholders who are entitled to exercise their rights for each Outstanding Warrants A held and the Entitled Shareholders who will be provisionally allotted the Rights Shares together with Warrants B under the Rights Issue, no person has been or is entitled to be given an option to subscribe for any shares, stocks or debentures of our Company or our subsidiaries.

(v) Save as disclosed in **Section 3.2, Appendix II** of this Abridged Prospectus, the Rights Shares and the Shares to be issued arising from the exercise of the Warrants B and Adjustment Warrants A, none of our securities have been issued or agreed to be issued either as fully or partly paid-up otherwise than in cash, within two (2) years immediately preceding the date of this Abridged Prospectus.

2. DIRECTORS' REMUNERATION

The provisions in our Company's Articles of Association in relation to the remuneration of our Directors are as follows:-

Articles 73

(a) Except where the remuneration of any Director is fixed by the Directors pursuant to Article 75 and subject to these presents each Director shall be paid out of the funds of the Company by way of remuneration for his services as Director such sum (if any) as may be fixed from time to time by the Company in General Meeting. Such remuneration shall so far as non-executive Directors are concerned be by way of a fixed sum, and not by way of a commission on or a percentage of profits or turnover. Salaries payable to executive Directors may not include a commission on or a percentage of turnover. All remuneration shall be deemed to accrue de die in diem. The Directors shall also be entitled to be paid all traveling, hotel and other expenses properly incurred by them in or with a view to the performance of their duties or in attending and returning from Meetings of the Directors or of any Committee of the Directors or General Meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors. Subject as aforesaid, fees, payable to Directors 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.

(b) If any Director being willing and having been called upon to do so shall render or perform extra or special services of any kind including services on any Committee established by the Directors or shall travel or reside abroad for any business or purposes of the Company he shall be entitled to receive such sum as the Directors may think fit for expenses and also such remuneration as the Directors may think fit either as a fixed sum or as a percentage of profits or otherwise and such remuneration may as the Directors shall determine be either in addition to or in substitution for any other remuneration he may be entitled to receive and the same shall be charged as part of the ordinary working expenses of the Company. Provided always that the extra remuneration payable to:-

(i) an executive Director shall not include a commission on or a percentage of turnover; and

(ii) a non-executive Director shall not include a commission on or a percentage of turnover.

A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office or Director, and on such terms as to remuneration and otherwise as the Directors shall arrange.

Article 74(3)

A director may appoint a person approved by a majority of his co-directors to act as his alternate, PROVIDED THAT any fee paid by the Company to the alternate shall be deducted from that director's remuneration.

Article 75

The remuneration of a Managing Director may be by way of salary or commission or participation in profits or by any or all of those modes or otherwise as may be thought expedient.

3. DECLARATIONS OF CONFLICT OF INTEREST

3.1. Principal Adviser

Save as disclosed below, RHB Investment Bank confirms that as at the LPD, there are no equity and/or financial relationship with our Group and/or any of our directors and/or substantial shareholders, that has resulted in or may result in a situation of conflict of interest in its role as the Principal Adviser to our Company for the Corporate Exercises, other than RHB Banking Group having extended various credit facilities with a combined limit of up to an aggregate amount of approximately RM12.0 million to our Group, which are in RHB Banking Group's ordinary course of business.

RHB Investment Bank has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Principal Adviser to our Company for the Corporate Exercises on the basis that:-

(a) the granting of loan facilities is in the ordinary course of business of RHB Banking Group;

(b) RHB Investment Bank is a licensed investment bank and its appointment as the Principal Adviser for the Corporate Exercises, is in the ordinary course of its business; and

(c) the conduct of RHB Banking Group's business is regulated strictly by the Financial Services Act, 2013 and RHB Banking Group's own internal controls and checks.

3.2. Due Diligence Solicitors

Messrs Tan, Goh and Associates, the due diligence solicitors for the Rights Issue, confirms that as at the date of this Abridged Prospectus, they have no equity and/or financial relationship with our Company that has resulted in or may result in a conflict of interest situation in their role as due diligence solicitors to our Company for the Rights Issue.

3.3. Reporting Accountants

Messrs Crowe Horwath, the reporting accountants for the Rights Issue, confirm that as at the date of this Abridged Prospectus, they have no equity and/or financial relationship with our Company that has resulted in or may result in a conflict of interest situation in their role as the reporting accountants to our Company for the Rights Issue.

4. MATERIAL CONTRACTS

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by our Group within the past two (2) years immediately preceding the date of this Abridged Prospectus:-

(i) the Deed Poll 2009 including the first supplemental Deed Poll dated 20 January 2012 and second supplemental Deed Poll dated 3 September 2012;

(ii) Sale and Purchase Agreement dated 29 August 2014 between Hubline Logistics Sdn Bhd as Vendor and Absolute Privilege Sdn Bhd as Purchaser in respect of the sale and purchase of 2 parcels of the following lands:

(a) all that parcel of land situated at Sungai Krokop, Miri, containing an area of 6,074 square meters, more or less, together with the building and appurtenances thereof and described as Lot 2358, Miri Concession Land District; and

(b) all that parcel of land situate at Krokop Road, Miri, containing an area of 8,218.2 square meters, more or less, together with building and appurtenances thereof and described as Lot 12, Block 7, Miri Concession Land District,

for a total cash purchase price of RM20,000,000 upon terms and conditions therein contained. This transaction has been completed on 5 November 2014; and

(iii) the Deed Poll 2015.

5. MATERIAL LITIGATION

Save as disclosed below, as at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and there are no proceedings pending or threatened against our Group or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business operations of our Group:-

(i) **Winding-up petition by Textainer Equipment Management Limited against Hub Shipping**

Textainer Equipment Management Limited ("**Petitioner**") had on 15 July 2015 made a demand to Hub Shipping via a Statutory Notice dated 13 July 2015 pursuant to Section 218(1)(e), (i) & (2)(a) of the Act for payment of the sum of USD3,733,810 alleging being for container leasing and interest and service charges, recovery cost, repair charges and replacement value of 758 units of containers unaccounted for, while Hub Shipping was under a Restraining Order pursuant to Section 176(10A) of the Act. Hub Shipping does not agree with the Petitioner's amount of claim.

Subsequently, a winding-up petition against Hub Shipping was presented on 25 September 2015 to the High Court in Malaya at Shah Alam by the Petitioner and a copy was served at the registered office of Hub Shipping on 2 October 2015 pursuant to the abovesaid Statutory Notice.

The total amount claimed by Petitioner under the petition is USD3,733,810, which amount Hub Shipping disputes. The petition is fixed to be heard on 8 January 2016.

Our Board is of the view that the financial and operational impact of the winding-up petition of Hub Shipping on our Group is not significant as our Group is exiting from the container shipping industry and our Company has already fully provided for the impairment of the total cost of investment in Hub Shipping.

(ii) **Northport (Malaysia) Bhd vs. Hub Shipping and EMS**

Northport (Malaysia) Bhd ("**Northport**") had on, 24 August 2015 made a demand for payment of the sum of approximately RM3,453,442 against Hub Shipping while Hub Shipping was under a Restraining Order under S176(10) of the Act. The amounts claimed arose from alleged failure to make payments for port facilities and services rendered. Hub Shipping does not agree with the Northport's amount of claim.

Subsequently, a writ of summons against Hub Shipping and EMS was presented on 5 October 2015 to the High Court by Northport and a copy was served at the registered office of our Company on 21 October 2015. The total amount claimed by Northport under the writ of summons and statement of claims is approximately RM3,497,189 together with interest, costs and other reliefs and orders as the court deems fit. The amount claimed includes items that Hub Shipping disputes.

The case management is fixed for 18 November 2015.

Our Board is of the view that the financial and operational impact of the claim on our Group is not significant as our Group is exiting from the container shipping industry and our Company has already fully provided for the impairment of the total cost of investment in Hub Shipping and EMS.

(iii) **<u>Notice pursuant to Section 218(1)(e) and Section (2)(a) of the Act by China Shipping Industry (Guangzhou) Co. Ltd. against Hub Shipping</u>**

A notice pursuant to Section 218(1)(e) and Section(2)(a) of the Act dated 2 October 2015 was served by China Shipping Industry (Guangzhou) Co. Ltd. against Hub Shipping for the sum of approximately USD2,480,027 alleging to be due and owing for repair costs for work carried out on various vessels.

Our Board has instructed our solicitors to review the said notice in detail and to advise of the next course of action to be taken in due course.

Our Board is of the view that even if China Shipping Industry (Guangzhou) Co. Ltd. proceeds with the winding-up petition against Hub Shipping, the financial and operational impact of the claim on our Group is not significant as our Group is exiting from the container shipping industry and our Company has already fully provided for the impairment of the total cost of investment in Hub Shipping.

(iv) **<u>Notice pursuant to Section 218(1)(e) and Section (2)(a) of the Act by CAI International, Inc against Hub Shipping</u>**

A notice pursuant to Section 218 (1)(e) and Section (2)(a) of the Act dated 7 October 2015 was served by CAI International, Inc against Hub Shipping for the sum of approximately USD1,192,830 as of 24 September 2015 or RM5,157,798 based on the Bank Negara Malaysia's exchange rate of USD1.00: RM4.3240 as at 6 October 2015 alleging for being container leasing and interest and service charges, per diem rent, handling, trucking and storage and legal and lift on charge fees, damages and depreciated casualty value.

Our Board has instructed our solicitors to review the said notice in detail and to advise of the next course of action to be taken in due course.

Our Board is of the view that even if CAI International, Inc proceeds with the winding-up petition against Hub Shipping, the financial and operational impact of the claim on our Group is not significant as our Group is exiting from the container shipping industry and our Company has already fully provided for the impairment of the total cost of investment in Hub Shipping.

(v) **<u>Statutory Demand under Section 218(1)(e) of the Act by SeaCo Global Ltd and SeaCo SRL (formerly known as GE SeaCo SRL) against Hub Shipping</u>**

A statutory demand under Section 218(1)(e) of the Act dated 28 October 2015 was served by Seaco Global Ltd and SeaCo SRL (formerly known as GE SeaCo SRL) against Hub Shipping for the sum of approximately USD4,320,353 to be due and payable as at 30 September 2015 by Hub Shipping and Hub Marine Pte Ltd for rental charges, repair charges, replacement charges for containers considered loss, interest and recovery costs.

Our Board has instructed our solicitors to review the said notice in detail and to advise of the next course of action to be taken in due course.

Our Board is of the view that even if Seaco Global Ltd and/or SeaCo SRL (formerly known as GE SeaCo SRL) proceeds with winding-up petition, the financial and operational impact of the claim on our Group is not significant as our Group is exiting from the container shipping industry and our Company has already fully provided for the impairment of the total cost of investment in Hub Shipping and Hub Marine Pte Ltd.

6. GENERAL

(i) There is no existing or proposed service contract entered or to be entered into by our Company with any Director or proposed Director, other than those which are expiring or determinable by the employing company without payment of compensation (other than statutory compensation) within one (1) year from the date of this Abridged Prospectus.

(ii) Save as disclosed in this Abridged Prospectus, there are no material information including trade factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits of our Group.

(iii) Save as disclosed in this Abridged Prospectus, the financial conditions and operations of our Group are not affected by any of the following:-

(a) known trends or known demands, commitments, events or uncertainties that will result in or are reasonably likely to result in our Group's liquidity increasing or decreasing in any material way;

(b) material commitments for capital expenditure;

(c) unusual or infrequent events or transactions or significant economic changes that will materially affect the amount of reported income from operations;

(d) known trends or uncertainties that have had or that our Group reasonably expects to have a material favourable or unfavourable impact on our Group's revenue or operating income; and

(e) substantial increase in revenue.

7. WRITTEN CONSENTS

The written consents of our Principal Adviser, Company Secretary, Principal Bankers, Share Registrar, Bloomberg and the Solicitors for the Rights Issue to the inclusion in this Abridged Prospectus of their names in the form and context in which they appear have been given before issuance of this Abridged Prospectus and have not subsequently been withdrawn.

The written consent of the Reporting Accountants to the inclusion in this Abridged Prospectus of their names and letters relating to the proforma consolidated statements of financial position of our Group as at 30 September 2014 respectively, in the form and context in which they appear have been given before the issuance of this Abridged Prospectus and have not subsequently been withdrawn.

The written consent of Messrs. Ernst & Young to the inclusion in this Abridged Prospectus of their names and letters relating to the audited consolidated financial statements of our Group for the FYE 30 September 2014 respectively, in the form and context in which they appear have been given before the issuance of this Abridged Prospectus and have not subsequently been withdrawn.

8. DOCUMENTS FOR INSPECTION

Copies of the following documents are made available for inspection at the registered office of our Company at Wisma Hubline, Lease 3815 (Lot 10914), Section 64, KTLD, Jalan Datuk Abang Abdul Rahim, 93450 Kuching, Sarawak, during normal business hours from Monday to Friday (except public holidays) for a period of twelve (12) months from the date of this Abridged Prospectus:-

(i) Our Memorandum and Articles of Association;

(ii) Our audited consolidated financial statements for the past two (2) FYE 30 September 2013 and FYE 30 September 2014;

(iii) Our unaudited consolidated results for the twelve (12) months FYE 30 September 2015;

(iv) The proforma consolidated statements of financial position of our Group as at 30 September 2014 together with the notes and Reporting Accountants' letter thereon as set out in **Appendix III** of this Abridged Prospectus;

(v) Our Directors' Report as set out in **Appendix VI** of this Abridged Prospectus;

(vi) The consent letters referred to in **Section 7** of this **Appendix VII**;

(vii) The relevant cause papers in respect of the material litigation referred to in **Section 5** of this **Appendix VII**;

(viii) The undertaking letters from BPSB, VSB, DLLK, RWLH as referred to in **Section 9** of this Abridged Prospectus; and

(ix) The material contracts referred to in **Section 4** of this **Appendix VII**.

9. RESPONSIBILITY STATEMENT

This Abridged Prospectus together with its accompanying documents have been seen and approved by our Board and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement herein false or misleading.

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

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