Widetech (Malaysia) Berhad
(Company No. 113939-U)
(Incorporated in Malaysia)
and its subsidiaries

Financial statements for the financial year ended 31 March 2015

Widetech (Malaysia) Berhad
(Company No. 113939-U)
(Incorporated in Malaysia)
and its subsidiaries

Directors' report for the financial year ended 31 March 2015

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

Principal activities

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

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

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

Financial results

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

Reserves and provisions

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

Dividend

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

Directors

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

Dato' Lim Kim Huat
Tan Sri Datuk Chu Sui Kiong
Tan Sri Dato' Cheng Joo Teik
Loh Suan Phang
Kong Sin Seng
Datuk Ng Bee Ken
Lee Yoke Shue
Dato' Lim Sin Khong (appointed on 08 May 2014)
Tan Boon Seng (appointed on 25 November 2014)
Dato' Tan Ting Wong (resigned on 25 November 2014)

Directors' interests

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

	Ordinary shares of RM1 each			
	Balance at 1.4.2014/At date of appointment*	**Bought**	**(Sold)**	**Balance at 31.3.2015**
The Company				
Direct interest				
Tan Sri Dato' Cheng Joo Teik				
- own	200,000	-	-	200,000
- others @	1,559,900	-	-	1,559,900
Tan Sri Datuk Chu Sui Kiong	737,736	-	-	737,736
Loh Suan Phang	2,011,300	-	-	2,011,300
Dato' Lim Sin Khong	413,514*	-	-	413,514
Tan Boon Seng	827,032*	-	-	827,032

Directors' interests (Cont'd)

	Ordinary shares of RM1 each			
	Balance at 1.4.2014/At date of appointment*	Bought	(Sold)	Balance at 31.3.2015
The Company				
Indirect interest				
Tan Sri Dato' Cheng Joo Teik	4,198,952	-	-	4,198,952
Tan Sri Datuk Chu Sui Kiong	8,030,652	-	-	8,030,652
Dato' Lim Sin Khong	413,514*	-	-	413,514

	Ordinary shares of RM1 each			
	Balance at 1.4.2014	Bought	(Sold)	Balance at 31.3.2015
Subsidiaries				
Direct interest				
Tan Sri Dato' Cheng Joo Teik				
- Wire Master Spring Sdn. Bhd.				
- *own*	1	-	-	1
Indirect interest				
Tan Sri Datuk Chu Sui Kiong				
- Wire Master Spring Sdn. Bhd.	1,439,998	-	-	1,439,998

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

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

Directors' interests (Cont'd)

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

None of the other Directors holding office at 31 March 2015 had any interest in the ordinary shares of the Company and its related corporations during the financial year.

Directors' benefits

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

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by Directors as disclosed in Notes 18 and 19 of the financial statements) by reason of a contract made by the Company or a related company with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than certain Directors who may be deemed to derive a benefit by virtue of transactions entered into in the ordinary course of business between the Company and companies in which the Directors have substantial financial interest, as disclosed in Note 22 to the financial statements.

Issue of shares and debentures

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

There were no debentures issued during the financial year.

Options granted over unissued shares

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

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:-

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

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

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

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

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

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

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

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

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

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

In the opinion of the Directors:-

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

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

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

Auditors

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

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

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

Kuala Lumpur
29 July 2015

Widetech (Malaysia) Berhad

(Company No. 113939-U)
(Incorporated in Malaysia)

and its subsidiaries

Consolidated Statement of Financial Position as at 31 March 2015

	Note	2015 RM	2014 RM
ASSETS			
Non-current assets			
Property, plant and equipment	4	11,779,604	12,343,855
Investment in an associate	6	-	-
Receivables, deposits and prepayments	7	1,111,895	1,667,995
Deferred tax assets	8	463,085	491,534
Total non-current assets		13,354,584	14,503,384
Current assets			
Inventories	9	805,041	861,572
Receivables, deposits and prepayments	7	3,251,328	3,401,132
Amount due from an associate	10	2,465,583	986,150
Tax recoverable		17,706	3,892
Cash and cash equivalents	11	16,533,498	13,042,883
Total current assets		23,073,156	18,295,629
Total assets		36,427,740	32,799,013

Widetech (Malaysia) Berhad

(Company No. 113939-U)
(Incorporated in Malaysia)

and its subsidiaries

Consolidated Statement of Financial Position as at 31 March 2015 (Cont'd)

	Note	2015 RM	2014 RM
EQUITY AND LIABILITIES			
EQUITY			
Share capital	12	44,753,400	44,753,400
Reserves	13	(15,607,038)	(20,738,882)
Total equity attributable to owners of the Company		29,146,362	24,014,518
Non-controlling interest	14	(151,471)	1,880,129
Total equity		28,994,891	25,894,647
LIABILITIES			
Non-current liabilities			
Borrowings	15	3,527,378	3,800,129
Total non-current liabilities		3,527,378	3,800,129
Current liabilities			
Payables and accruals	16	3,619,178	2,802,678
Borrowings	15	286,293	276,369
Tax payable		-	25,190
Total current liabilities		3,905,471	3,104,237
Total liabilities		7,432,849	6,904,366
Total equity and liabilities		36,427,740	32,799,013

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

Widetech (Malaysia) Berhad

(Company No. 113939-U)
(Incorporated in Malaysia)

and its subsidiaries

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the financial year ended 31 March 2015

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

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

Widetech (Malaysia) Berhad
(Company No. 113939-U)
(Incorporated in Malaysia)
and its subsidiaries

Consolidated Statement of Changes in Equity for the financial year ended 31 March 2015

	← Attributable to owners of the Company →						
		← Non-distributable →					
	Share capital RM	Share premium RM	Exchange fluctuation reserve RM	Accumulated losses RM	Total RM	Non-controlling interest RM	Total equity RM
At 1 April 2013	44,753,400	132,167	(783,629)	(15,038,336)	29,063,602	41,198	29,104,800
Dividend paid to non-controlling interest	-	-	-	-	-	(1,664,422)	(1,664,422)
Total comprehensive loss for the financial year	-	-	1,065,208	(6,114,292)	(5,049,084)	3,503,353	(1,545,731)
At 31 March 2014/ 1 April 2014	44,753,400	132,167	281,579	(21,152,628)	24,014,518	1,880,129	25,894,647
Dividend paid to non-controlling interest	-	-	-	-	-	(1,768,161)	(1,768,161)
Total comprehensive income for the financial year	-	-	1,983,699	3,148,145	5,131,844	(263,439)	4,868,405
At 31 March 2015	44,753,400	132,167	2,265,278	(18,004,483)	29,146,362	(151,471)	28,994,891

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

Widetech (Malaysia) Berhad
(Company No. 113939-U)
(Incorporated in Malaysia)
and its subsidiaries

Consolidated Statement of Cash Flows for the financial year ended 31 March 2015

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

Widetech (Malaysia) Berhad
(Company No. 113939-U)
(Incorporated in Malaysia)
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Consolidated Statement of Cash Flows for the financial year ended 31 March 2015 (Cont'd)

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

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

Widetech (Malaysia) Berhad
(Company No. 113939-U)
(Incorporated in Malaysia)

Statement of Financial Position at 31 March 2015

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

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

Widetech (Malaysia) Berhad

(Company No. 113939-U)
(Incorporated in Malaysia)

Statement of Profit or Loss and Other Comprehensive Income for the financial year ended 31 March 2015

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

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

Widetech (Malaysia) Berhad

(Company No. 113939-U)
(Incorporated in Malaysia)

Statement of Changes in Equity for the financial year ended 31 March 2015

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

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

Widetech (Malaysia) Berhad

(Company No. 113939-U)
(Incorporated in Malaysia)

Statement of Cash Flows for the financial year ended 31 March 2015

	2015 RM	2014 RM
Cash flows from operating activities		
Profit/ (Loss) before tax	2,486,776	(6,002,508)
Adjustments for :		
Bad debts written off	-	1,975
Depreciation of property, plant and equipment	133,680	260,828
Interest expense	208,332	208,315
Unrealised gain on foreign exchange	(2,730,169)	(1,202,149)
Interest income	(9,238)	(7,406)
Impairment loss on amount due from a subsidiary	-	6,912,899
Operating profit before changes in working capital	89,381	171,954
Changes in working capital :		
Receivables, deposits and prepayments	33,369	508,898
Payables and accruals	390,453	1,271
Cash generated from operations	513,203	682,123
Tax refunded	-	52,211
Net cash from operating activities	513,203	734,334
Cash flows from investing activities		
Interest received	9,238	7,406
Purchase of property, plant and equipment	(630)	(3,150)
Net cash from investing activities	8,608	4,256

Widetech (Malaysia) Berhad
(Company No. 113939-U)
(Incorporated in Malaysia)

Statement of Cash Flows for the financial year ended 31 March 2015 (Cont'd)

	2015 RM	2014 RM
Cash flows from financing activities		
Interest paid	(208,332)	(208,315)
Repayment of term loans	(240,827)	(240,845)
Net cash used in financing activities	(449,159)	(449,160)
Net increase in cash and cash equivalents	72,652	289,430
Cash and cash equivalents at 1 April	403,358	113,928
Cash and cash equivalents at 31 March (Note 11)	476,010	403,358

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

Widetech (Malaysia) Berhad
(Company No. 113939-U)
(Incorporated in Malaysia)
and its subsidiaries

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur and the principal place of business of the Company is located at K-09-01, No.2, Jalan Solaris, Solaris Mont' Kiara, 50480 Kuala Lumpur.

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

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29 July 2015.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Basis of measurement

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

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

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

2. BASIS OF PREPARATION (CONT'D)

2.2 Basis of measurement (cont'd)

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

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

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

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

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

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

2.3 Functional and presentation currency

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

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

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

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

2. BASIS OF PREPARATION (CONT'D)

2.4 Adoption of Amendments and IC Interpretations ("IC Int") (cont'd)

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

2.5 Standards issued but not yet effective

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

Amendments to MFRSs effective 1 July 2014:

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

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

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

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

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

2. BASIS OF PREPARATION (CONT'D)

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

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

MFRS and Amendments to MFRSs effective 1 January 2016:

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

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

MFRS 5	Non-current Assets Held for Sale and Discontinued Operations: Changes in methods of disposal
MFRS 7	Financial Instruments – Disclosures: Servicing contracts
MFRS 7	Financial Instruments – Disclosures: Applicability of the amendments to MFRS 7 to condensed interim financial statements
MFRS 119	Employee Benefits: Discount rate – regional market issue
MFRS 134	Interim Financial Reporting: Disclosures of information "elsewhere in the interim financial report"

2. BASIS OF PREPARATION (CONT'D)

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

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

MFRS effective 1 January 2017:

MFRS 15	Revenue from Contracts with Customers

MFRS and Amendments to MFRS effective 1 January 2018:

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

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

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

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

MFRS 9 Financial Instruments

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

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

MFRS 15 Revenue from Contracts with Customers

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

2. BASIS OF PREPARATION (CONT'D)

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

MFRS 15 Revenue from Contracts with Customers (cont'd)

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

2.6 Significant accounting estimates and judgements

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

2.6.1 Estimation uncertainty

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

Useful lives of depreciable assets

Property, plant and equipment are depreciated on a straight line basis over their estimated useful lives. Management estimated the useful lives of property, plant and equipment to be within 3 to 52 years and reviews the useful lives of depreciable assets at end of each reporting period. At 31 March 2015, management assesses that the useful lives represent the expected utility of the assets to the Group and the Company. The carrying amounts are analysed in Note 4 to the financial statements. Actual results, however, may vary due to change in the expected level of usage and technological developments, which resulting the adjustment to the Group's and the Company's assets.

Impairment of loans and receivables

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

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

The carrying amount of the Group's and of the Company's receivables and loans at the end of the reporting date are disclosed in Note 7 to the financial statements. If the present value of estimated future flow varies by 4% (2014: 1%) from management estimates, the Group's and the Company's impairment loss of loans and receivables would result in variance by approximately 7% (2014: 3%).

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

2.6.2 Significant management judgement

Deferred tax assets

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

3. SIGNIFICANT ACCOUNTING POLICIES

The Group and the Company apply the significant accounting policies, as summarised below, consistently throughout all periods presented in the financial statements, unless otherwise stated.

3.1 Basis of consolidation

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

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

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

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

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

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

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

3.2 Goodwill

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

Goodwill arising on the acquisition of subsidiaries is presented separately in the statement of financial position while goodwill arising on the acquisition of associate is included within the carrying amount of investment in associate.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 Goodwill (cont'd)

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

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

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

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

3.3 Non-controlling interests

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Subsidiaries

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

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

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

3.5 Associates

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

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

The share of the result of an associate is reflected in profit or loss. Any change in after comprehensive income of those investees is presented as part of the Group's other comprehensive income. When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investment is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Associates (cont'd)

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

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

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

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

3.6 Property, plant and equipment and depreciation

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

Depreciation of property, plant and equipment is provided on the straight line method in order to write off the cost of each asset over its estimated useful life.

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

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

The residual values, useful life and depreciation method are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable, or at least annually to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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

3.7 **Inventories**

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

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

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

3.8 **Assets acquired under finance lease arrangements**

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Assets acquired under finance lease arrangements (cont'd)

Minimum lease payments made under finance leases are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the profit or loss. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

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

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

3.9 Impairment of assets

3.9.1 Non-financial assets

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Impairment of assets (cont'd)

3.9.1 Non-financial assets (cont'd)

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

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

3.9.2 Financial assets

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

<u>Financial assets carried at amortised cost</u>

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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Impairment of assets (cont'd)

3.9.2 Financial assets (cont'd)

Financial assets carried at amortised cost (cont'd)

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

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

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

Unquoted equity securities carried at cost

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

3.10 Financial instruments

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Financial instruments (cont'd)

3.10.1 Financial assets – categorisation and subsequent measurement

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

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

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

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

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

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

Loans and receivables

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Financial instruments (cont'd)

3.10.1 Financial assets – categorisation and subsequent measurement (cont'd)

Loans and receivables (cont'd)

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

3.10.2 Financial liabilities – categorisation and subsequent measurement

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

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

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

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

Other financial liabilities

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

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

3.11 Cash and cash equivalents

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.12 Tax expense

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

3.12.1 Current tax

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

3.12.2 Deferred tax

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

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

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

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

3.13 Borrowing costs

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Provisions

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

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

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

3.15 Foreign currency translations

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 Foreign currency translations (cont'd)

Foreign operations

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

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

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

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

3.16 Revenue recognition

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

3.16.1 Sale of goods

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.16 Revenue recognition (cont'd)

3.16.2 Interest income

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

3.16.3 Rental income

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

3.16.4 Service fee

Service fee is recognised as it accrues.

3.16.5 Insurance commision

Insurance commision is recognised as it accrues.

3.16.6 Service charge

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

3.16.7 Management fees

Management fees is recognised upon rendering services

3.16.8 Gaming income

Gaming income represents net house takings.

3.16.9 Hotel income

Hotel income is recognised when the relevant services are provided.

3.16.10 Dividend income

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.17 Employee benefits

3.17.1 Short-term employee benefits

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

3.17.2 Defined contribution plans

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

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

3.18 Contingent liabilities

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

3.19 Equity, reserves and distributions to owners

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

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

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

Retained earnings include all current and prior period retained profits.

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified to make strategic decisions. Additional disclosures on each of these segments are shown in Note 24 to the financial statements.

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

3.21 Related parties

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

A party is related for an entity if:-

(a) A person or a close member of that person's family is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the ultimate holding company of the Group, or the Group.

(b) An entity is related to the Group if any of the following conditions applies:

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

4. PROPERTY, PLANT AND EQUIPMENT

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

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

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

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

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

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

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

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

(ii) ***Security***

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

5. INVESTMENTS IN SUBSIDIARIES

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

Details of the subsidiaries are as follows:

Name of subsidiaries	**Place of incorporation**	**Equity ownership interest**		**Principal activities**
		2015	**2014**	
Wire Master Spring Sdn. Bhd.	Malaysia	96%	96%	Manufacturing of precision springs
EPA Automation Sdn. Bhd.	Malaysia	100%	100%	Ceased operations
Goldwealth Capital Sdn. Bhd.	Malaysia	100%	100%	Trading in consumer products

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiaries	Place of incorporation	Equity ownership interest 2015	2014	Principal activities
GW Premium Capital Sdn.Bhd.	Malaysia	100%	100%	Trading in consumer products and providing financing services
Probusiness Investments Limited	British Virgin Islands	100%	100%	Investment holding and gaming operations
Subsidiaries of Probusiness Investments Limited				
- Remarkable Group Limited #	British Virgin Islands	50%	50%	Provision of club equipment and management services for gaming operations
- Enselini International Limited	British Virgin Islands	65%	65%	Ceased operations
- Asia Pacific Winning Limited	British Virgin Islands	100%	100%	Investment holding
Subsidiary of Asia Pacific Winning Limited				
- Lao-Malaysia Investments Group	Republic of Laos	75%	75%	Hotel operations
Subsidiary of Remarkable Group Limited				
- Rich Lee Holdings Sdn. Bhd. *	Malaysia	100%	100%	Dormant

* Subsidiary not audited by SJ Grant Thornton

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

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiaries

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

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

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiaries (cont'd)

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

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

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiaries (cont'd)

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

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

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiaries (cont'd)

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

	Wire Master Spring Sdn. Bhd. RM	Remarkable Group Limited RM	Enselini International Limited RM	Lao-Malaysia Investments Group RM	Ace Unicorn Limited RM	Total RM
2014						
Financial position as at 31 March						
Non-current assets	4,609,214	41,319	-	2,852,696	-	7,503,229
Current assets	2,343,163	166,520	-	539,195	-	3,048,878
Non-current liabilities	(20,167)	-	-	-	-	(20,167)
Current liabilities	(1,187,136)	(203,826)	-	(5,771,218)	-	(7,162,180)
Net assets	5,745,074	4,013	-	(2,379,327)	-	3,369,760
Summary of financial performance for the financial year ended 31 March						
Profit/(loss) for the financial year	944,795	3,331,190	5,298,070	(74,244)	4,945,988	14,445,799
Other comprehensive income/(loss)	-	2,821	(145,666)	(125,293)	(135,982)	(404,120)
Total comprehensive income/(loss)	944,795	3,334,011	5,152,404	(199,537)	4,810,006	14,041,679
Included in the total comprehensive income is:						
Revenue	4,660,748	3,490,337	-	1,541,365	-	9,692,450

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiaries (cont'd)

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

	Wire Master Spring Sdn. Bhd. RM	Remarkable Group Limited RM	Enselini International Limited RM	Lao-Malaysia Investments Group RM	Ace Unicorn Limited RM	Total RM
2014 (cont'd)						
Summary of cash flows for the financial year ended 31 March						
Net cash inflow/(outflow) from						
- operating activites	654,979	(85,210)	(90,865)	178,010	1,937,728	2,594,642
- investing activites	(406,698)	-	-	(113,576)	-	(520,274)
- financing activites	(25,036)	85,210	87,891	85,616	(1,937,728)	(1,704,047)
Net cash inflow	223,245	-	(2,974)	150,050	-	370,321
Other information						
Dividends paid to non-controlling interests	-	1,664,422	-	-	-	1,664,422

6. INVESTMENT IN AN ASSOCIATE

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

Details of the associate are as follows:

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

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

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

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

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

7. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Non-current				
Trade				
Trade receivables	1,270,912	2,193,450	-	-
Less : Unearned service charges	(181,403)	(381,920)	-	-
Less : Fair value adjustment	22,386	(143,535)	-	-
Total non-current receivables	1,111,895	1,667,995	-	-

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Current					
Trade					
Trade receivables		1,593,612	1,888,850	-	-
Less : Unearned service charges		(180,382)	(267,407)	-	-
		1,413,230	1,621,443	-	-
Less : Allowance for impairment loss		(33,957)	(25,284)	-	-
		1,379,273	1,596,159	-	-
Non-trade					
Amounts due from subsidiaries		-	-	30,215,545	27,519,487
Less : Allowance for impairment loss		-	-	(18,221,650)	(18,221,650)
	7.1	-	-	11,993,895	9,297,837

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

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Non-trade					
Other receivables	7.2	7,283,140	7,228,627	5,000,000	5,003,220
Deposits		116,278	104,896	82,869	79,052
Prepayments		38,403	37,216	19,427	19,282
Less : Allowance for impairment loss		(5,565,766)	(5,565,766)	(5,000,000)	(5,000,000)
		1,872,055	1,804,973	102,296	101,554
Total current receivables		3,251,328	3,401,132	12,096,191	9,399,391

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

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

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

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

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

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

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

7.1 Amounts due from subsidiaries

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

7.2 Other receivables

Included in other receivables of the Group and of the Company is an amount of RM5,000,000 (2014: RM5,000,000) respectively due from a third party which is unsecured, interest-free and repayable on demand. Allowance for impairment loss has been fully made as at reporting date.

8. DEFERRED TAXATION

8.1 Deferred tax liabilities/(assets)

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

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

8.2 Deferred tax assets

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

	Group	
	2015 RM	**2014 RM**
Unutilised tax losses	(2,315,000)	(2,015,000)
Unabsorbed capital allowances	(310,000)	(302,000)
Property, plant and equipment	3,000	(14,000)
	(2,622,000)	(2,331,000)

8. DEFERRED TAXATION (CONT'D)

No deferred tax assets have been recognised for the following items (cont'd):

	Company	
	2015	**2014**
	RM	**RM**
Property, plant and equipment	(25,000)	(50,000)
Unutilised tax losses	(1,108,000)	(1,161,000)
Unabsorbed capital allowances	(256,000)	(256,000)
	(1,389,000)	(1,467,000)

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

9. INVENTORIES

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

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

10. AMOUNT DUE FROM AN ASSOCIATE

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

During the financial year, the movement of the share of post acquisition loss is recognised as the Group has given its undertaking to share the results eventhough it is in excess of its cost of investment.

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

11. CASH AND CASH EQUIVALENTS

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

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

12. SHARE CAPITAL

	Group and Company			
	2015		2014	
	Amount RM	Number of shares Unit	Amount RM	Number of shares Unit
Ordinary shares of RM1 each				
Authorised	150,000,000	150,000,000	150,000,000	150,000,000
Issued and fully paid	44,753,400	44,753,400	44,753,400	44,753,400

13. RESERVES

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

13.1 Share premium

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

13.2 Exchange fluctuation reserve

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

14. NON-CONTROLLING INTEREST

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

15. BORROWINGS

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

15. BORROWINGS (CONT'D)

15.1 Securities

Group/Company

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

15.2 Interest rate

Group/Company

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

Group

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

15.3 Terms and debt repayment schedule

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

15. BORROWINGS (CONT'D)

15.4 Finance lease liabilities

Finance lease liabilities are payable as follows:

	2015 Repayments RM	2015 Interest RM	2015 Principal RM	2014 Repayments RM	2014 Interest RM	2014 Principal RM
Group						
Less than 1 year	22,950	2,783	20,167	25,036	3,036	22,000
More than 1 year but less than 2 years	-	-	-	22,950	2,783	20,167
	22,950	2,783	20,167	47,986	5,819	42,167

16. PAYABLES AND ACCRUALS

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

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

17. REVENUE

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

18. STAFF COSTS

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

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

	Group	
	2015	2014
	RM	RM
Executive Directors:		
Salaries and other emoluments	651,527	701,486
Defined contribution plan	21,700	28,030
Social security contributions	620	620
	673,847	730,136

	Group and Company	
	2015	2014
	RM	RM
Non-executive Directors:		
Other emoluments	35,000	32,000

19. PROFIT/ (LOSS) BEFORE TAX

Profit/ (Loss) before tax is arrived at:

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
After charging :					
Auditors' remuneration:					
Auditors of the Company					
Current year					
- audit services		69,900	67,000	23,000	20,000
- other services		4,000	4,000	4,000	4,000
Other auditors					
Current year					
- audit services		950	950	-	-
Overprovision in the prior year					
- audit services		-	(150)	-	-
Inventories write-down		-	24,024	-	-
Bad debts written off		3,773	191,488	-	1,975
Depreciation of property, plant and equipment	4	999,971	1,091,162	133,680	260,828
Directors' remuneration	18				
- executive		673,847	730,136	-	-
- non-executive		35,000	32,000	35,000	32,000
Impairment loss on					
- third parties		8,673	-	-	-
- amount due from subsidiaries		-	-	-	6,912,899
- amount due from an associate		-	1,038,521	-	-
Interest expense					
- finance lease liabilities		3,036	3,036	-	-
- term loan		208,332	208,315	208,332	208,315
- others		7,034	9,654	-	-
Loss on foreign exchange					
- realised		3,690	35,158	-	-
Property, plant and equipment written off		291	1,618	-	-
and after crediting:					
Gain on foreign exchange					
- realised		1,885	-	-	-
- unrealised		4,876	-	2,730,169	1,202,149

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

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

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
and after crediting (cont'd):				
Interest income	383,447	287,689	9,238	7,406
Rental income from:				
- third parties	359,064	359,064	359,064	359,064
- subsidiary	-	-	-	111,120
Waiver of debts	-	3,713,106	-	-
Fair value adjustment on trade receivables recognised in profit or loss	22,386	143,535	-	-
Reversal of impairment loss on receivables	-	2,452,813	-	-
Reversal of inventories write-down	29,365	14,705	-	-
Bad debts recovered	3,189	-	43,512	-

20. TAX EXPENSE/ (INCOME)

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

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

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

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

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

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

21. BASIC EARNINGS/ (LOSS) PER ORDINARY SHARE

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

	Group 2015	Group 2014
Earnings/ (Loss) attributable to owners of the Company (RM)	3,148,145	(6,114,292)
Number of ordinary shares in issue	44,753,400	44,753,400

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

22. RELATED PARTIES DISCLOSURES

Related party transactions

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

Related parties include the following:

(i) Subsidiaries of the Company

(ii) Directors and key management personnel of the Company

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

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

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

(i) Transactions between the Company and its subsidiaries:

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

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

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

	Group and Company	
	2015 RM	2014 RM
Rental receivable	245,298	275,232

Compensation of key management personnel

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

The remuneration of key management personnel is same with the Directors’ remuneration as disclosed in Note 18 to the financial statements. The Group and the Company have no other members of key management personnel apart from the Board of Directors.

23. CONTINGENT LIABILITIES

Group

Unsecured

On 6 June 2012, a third party commenced an action against Rich Lee Holdings Sdn Bhd ("RLHSB"), a subsidiary within the Group in respect of a friendly loan amounting to RM1,335,000 purportedly given to RLHSB for investment purposes in 2007. RLHSB was acquired on 10 June 2009 and based on the available records of RLHSB, there is no indication of the existence of such a loan. RLHSB is disputing the claim. On 21 June 2014, the Court had dismissed the third party's action against RLHSB.

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

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

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

24. SEGMENTAL INFORMATION - GROUP

(i) Business segments

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

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

24. SEGMENTAL INFORMATION – GROUP (CONT'D)

(i) Business segments (cont'd)

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

24. SEGMENTAL INFORMATION – GROUP (CONT'D)

(i) Business segments (cont'd)

2014	Manufacturing RM	Supply RM	Gaming RM	Hotel RM	Others RM	Elimination RM	Consolidated RM
Revenue from external customers	4,660,748	391,542	3,684,924	1,541,365	359,064	-	10,637,643
Inter-segment revenue	-	700,000	-	-	411,120	(1,111,120)	-
Total revenue	4,660,748	1,091,542	3,684,924	1,541,365	770,184	(1,111,120)	10,637,643
Result:							
Interest income	6,401	273,883	-	-	7,405	-	287,689
Depreciation of property, plant and equipment	(118,923)	(25,384)	(89,282)	(505,971)	(351,602)	-	(1,091,162)
Finance costs	(3,036)	-	-	(9,654)	(208,315)	-	(221,005)
Other non-cash income/(expense) Note (a)	9,567	1,906	4,769,965	-	-	-	4,781,438
Tax income	516,516	-	-	-	49,514	-	566,030
Segment profit/(loss)	944,795	(363,181)	10,583,364	(74,244)	(5,955,161)	(7,611,223)	(2,475,650)
Assets:-							
Addition to non-current asset Note (b)	7,060	4,250	-	113,576	3,150	-	128,036
Unallocated assets							9,693,704
Segment assets	2,608,686	3,607,485	3,928,923	3,391,891	9,568,324	-	23,105,309
Liabilities:-							
Unallocated liabilities							4,101,688
Segment liabilities	404,359	1,643,136	129,133	231,365	394,685	-	2,802,678

24. SEGMENTAL INFORMATION – GROUP (CONT'D)

(i) Business segments (cont'd)

Notes:

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

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

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

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

(ii) Geographical segments

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

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

24. SEGMENTAL INFORMATION – GROUP (CONT'D)

(ii) Geographical segments (cont'd)

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

(iii) Information about major customers

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

25. CATEGORIES OF FINANCIAL INSTRUMENTS

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

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

25. CATEGORIES OF FINANCIAL INSTRUMENTS (CONT'D)

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

Group	Carrying amount RM	L&R RM	AC RM
2014			
Financial assets			
Receivables and deposits	5,031,911	5,031,911	-
Amount due from an associate	986,150	986,150	-
Cash and cash equivalents	13,042,883	13,042,883	-
	19,060,944	19,060,944	-
Financial liabilities			
Payables and accruals	2,802,678	-	2,802,678
Borrowings	4,076,498	-	4,076,498
	6,879,176	-	6,879,176

Company	Carrying amount RM	L&R RM	AC RM
2015			
Financial assets			
Receivables and deposits	12,076,764	12,076,764	-
Cash and cash equivalents	476,010	476,010	-
	12,552,774	12,552,774	-
Financial liabilities			
Payables and accruals	521,048	-	521,048
Borrowings	3,793,504	-	3,793,504
	4,314,552	-	4,314,552
2014			
Financial assets			
Receivables and deposits	9,380,109	9,380,109	-
Cash and cash equivalents	403,358	403,358	-
	9,783,467	9,783,467	-
Financial liabilities			
Payables and accruals	130,595	-	130,595
Borrowings	4,034,331	-	4,034,331
	4,164,926	-	4,164,926

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk

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

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

(a) **Credit risk**

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

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

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

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

(i) Receivables

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

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

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

Financial risk (cont'd)

(a) **Credit risk (cont'd)**

(i) Receivables (cont'd)

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

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

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

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

Financial risk (cont'd)

(a) **Credit risk (cont'd)**

(i) Receivables (cont'd)

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

As at 31 March 2015, trade receivables of RM426,656 (2014: RM660,350) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

In respect of trade receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty other than 69% (2014: 71%) of trade receivables consist of amount due from one (2014: one) customer. Trade receivables consist of a large number of customers in various backgrounds. Based on historical information about customer default rates, management considers the credit quality of trade receivables that are not past due or impaired to be good.

(ii) Corporate guarantees

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

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

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

(iii) Intercompany balances

The maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

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

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

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

Financial risk (cont'd)

(b) **Liquidity risk**

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

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

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

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

	Total carrying amount RM	Contructual cash flows RM	Within 1 year RM	1 to 2 years RM	2 to 5 years RM	More than 5 years RM
Group						
2015						
Unsecured:						
Payables and accruals	3,619,178	3,619,178	3,619,178	-	-	-
Secured:						
Borrowings	3,813,671	4,953,089	469,327	449,160	1,347,480	2,687,122
	7,432,849	8,572,267	4,088,505	449,160	1,347,480	2,687,122
2014						
Unsecured:						
Payables and accruals	2,802,678	2,802,678	2,802,678	-	-	-
Secured:						
Borrowings	4,076,498	5,406,750	474,196	472,110	1,347,480	3,112,964
	6,879,176	8,209,428	3,276,874	472,110	1,347,480	3,112,964

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

Financial risk (cont'd)

(b) Liquidity risk (cont'd)

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

	Total carrying amount RM	Contructual cash flows RM	Within 1 year RM	1 to 2 years RM	2 to 5 years RM	More than 5 years RM
Company						
2015						
Unsecured:						
Payables and accruals	521,048	521,048	521,048	-	-	-
Secured:						
Borrowings	3,793,504	4,932,922	449,160	449,160	1,347,480	2,687,122
	4,314,552	5,453,970	970,208	449,160	1,347,480	2,687,122
2014						
Unsecured:						
Payables and accruals	130,595	130,595	130,595	-	-	-
Secured:						
Borrowings	4,034,331	5,358,764	449,160	449,160	1,347,480	3,112,964
	4,164,926	5,489,359	579,755	449,160	1,347,480	3,112,964

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

Financial risk (cont'd)

(c) **Foreign currency risk**

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

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

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

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

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

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

Financial risk (cont'd)

(c) **Foreign currency risk (cont'd)**

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

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

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

Financial risk (cont'd)

(c) **Foreign currency risk (cont'd)**

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

(d) **Interest rate risk**

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

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

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

	Group RM	Company RM
2015		
Fixed rate instruments		
Financial assets		
Short-term deposits with licensed banks and financial institutions	12,789,300	-
Trade receivables	1,718,077	-
	14,507,377	-
Financial liability		
Finance lease liability	20,167	-
Floating rate instrument		
Financial liability		
Borrowings	3,793,504	3,793,504

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

Financial risk (cont'd)

(d) **Interest rate risk (cont'd)**

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

	Group RM	Company RM
2014		
Fixed rate instruments		
Financial assets		
Short-term deposits with licensed banks and financial institutions	9,198,278	-
Trade receivables	2,338,162	-
	11,536,440	-
Financial liability		
Finance lease liabilities	42,167	-
Floating rate instrument		
Financial liability		
Borrowings	4,034,331	4,034,331

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

Financial risk (cont'd)

(d) **Interest rate risk (cont'd)**

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

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

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

(e) **Fair value of financial instruments**

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

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

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

Financial risk (cont'd)

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

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

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

Policy on transfer between levels

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

Level 2 Fair Value

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

27. CAPITAL MANAGEMENT

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

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

DISCLOSURES OF REALISED AND UNREALISED PROFITS/LOSSES

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

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

The disclosure of realised and unrealised losses above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia Securities Berhad and should not be applied for any other purposes.

The above disclosure was approved by the Board of Directors in accordance with a resolution of the Directors on 29 July 2015.

Widetech (Malaysia) Berhad
(Company No. 113939-U)
(Incorporated in Malaysia)
and its subsidiaries

Statement by Directors pursuant to Section 169(15) of the Companies Act, 1965

In the opinion of the Directors, the financial statements set out on pages 7 to 81 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2015 and of their financial performance and cash flows for the financial year then ended.

In the opinion of the Directors, the information set out on page 82 has been compiled in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

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

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

……………………………………….……..
KONG SIN SENG
Kuala Lumpur
29 July 2015

Widetech (Malaysia) Berhad
(Company No. 113939-U)
(Incorporated in Malaysia)
and its subsidiaries

Statutory declaration pursuant to Section 169(16) of the Companies Act, 1965

I, **Kong Sin Seng**, being the Director primarily responsible for the financial management of Widetech (Malaysia) Berhad, do solemnly and sincerely declare that the financial statements set out on pages 7 to 81 and the financial information set out on page 82 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory this day of 29 July 2015.

……………………………………
KONG SIN SENG

Before me:

Independent auditors' report to the members of Widetech (Malaysia) Berhad

(Company No. 113939-U)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Widetech (Malaysia) Berhad, which comprise statements of financial position as at 31 March 2015 of the Group and of the Company, and statements profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 7 to 81.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Report on the Financial Statements (cont'd)

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2015 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

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

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

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

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

(d) The auditors' reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Reporting Responsibilities

The supplementary information set out on page 82 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other matters

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

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

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

Kuala Lumpur
29 July 2015