



ANNUAL REPORT
2015



**ANALABS
RESOURCES
BERHAD**

(468971-A)

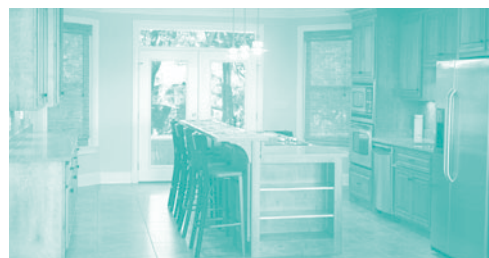
Reducing Waste For A Better Environment
Corporate Social Responsibility - Recycling Waste Since 1980



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Reducing Waste For A Better Environment

Corporate Social Responsibility -
Recycling Waste Since 1980



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Kan Yow Kheong
Executive Chairman

Lim Yoke Soo
Executive Director

Low Chin Ann @ Han Chin Ann
Senior Independent Non-Executive Director

Lai Yew Choong
Independent Non-Executive Director

Lim Chee Beng
Independent Non-Executive Director

COMPANY SECRETARIES

Cynthia Gloria Louis (MAICSA 7008306)
Chew Mei Ling (MAICSA 7019175)

REGISTERED OFFICE

Unit 621, 6th Floor, Block A,
Kelana Centre Point,
No. 3 Jalan SS7/19, Kelana Jaya,
47301 Petaling Jaya,
Selangor Darul Ehsan
Tel : 03-7880 9699
Fax : 03-7880 8699

SHARE REGISTRAR

Symphony Share Registrars Sdn. Bhd.
(Company No. 378993-D)
Level 6 Symphony House
Block D13 Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya Selangor
Tel : 03-7841 8000
Fax : 03-7841 8151/03-7841 8152

AUDITORS

Crowe Horwath (AF 1018)
Chartered Accountants
Level 16 Tower C
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Tel : 03-2788 9999
Fax : 03-2788 9998

PRINCIPAL BANKERS

Maybank Berhad
Hong Leong Bank Berhad
United Overseas Bank (Malaysia) Berhad
Alliance Bank Berhad
RHB Bank Berhad
AmBank Berhad

STOCK EXCHANGE

Main Market of Bursa Malaysia
Securities Berhad
Stock name: ANALABS
Stock code: 7083

WEBSITE

www.analabs.com.my

GROUP STRUCTURE



- 100%** COVERIGHT SURFACES MALAYSIA SDN BHD
- 100%** CENTRALISED WASTE TREATMENT PLANT SDN BHD
- 100%** INAGRO SDN BHD
- 100%** K & L CHEMICALS SDN BHD
- 100%** LUX DISTRIBUTOR SDN BHD
- 100%** MASMERU SDN BHD
- 100%** M-FIELD SDN BHD
- 100%** QSP CHEMIE (M) SDN BHD
- 100%** RESOURCES CONSERVATION SDN BHD
- 100%** SAPPHIRE LIFESTYLE SDN BHD
- 100%** STRIKETECH SDN BHD
- 100%** SYNTAX SYSTEM SOLUTIONS SDN BHD
- 100%** THE ANALYTICAL LABORATORIES (MALAYSIA) SDN BHD
- 100%** GLOBAL PACIFIC PETROLEUM SDN BHD
- 100%** *Hysper Manufacturing (M) Sdn Bhd*

MALAYSIA

SINGAPORE

99.99% AL RESOURCES PTE LTD (Incorporated in the Republic of Singapore)

100% CLEANWAY DISPOSAL SERVICES PTE LTD (Incorporated in the Republic of Singapore)

63% *Singapore Analabs Pte Ltd* (Incorporated in the Republic of Singapore)

100% *Toh Ban Seng Contractor Pte. Ltd.* (Incorporated in the Republic of Singapore)

100% *Ban Tiong Soon Contractor Pte. Ltd.* (Incorporated in the Republic of Singapore)

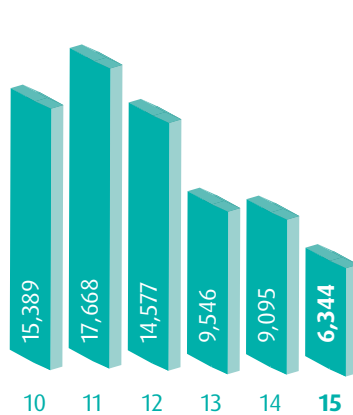
FINANCIAL HIGHLIGHTS

YEAR ENDED 30 APRIL	2010	2011	2012	2013	2014	2015
TURNOVER (RM'000)	112,956	138,315	120,465	147,376	140,324	142,088
PROFIT AFTER TAXATION (RM'000)	15,389	17,668	14,577	9,546	9,095	6,344
PROFIT ATTRIBUTABLE TO SHAREHOLDERS (RM'000)	15,389	17,668	14,577	9,546	9,695	6,879
NET EARNINGS PER SHARE (sen)	25.95	29.82	24.64	16.46	16.88	12.11
NET ASSETS (RM'000)	129,645	148,858	158,787	163,257	207,022	209,914
NET ASSETS PER SHARE (RM)	2.16	2.51	2.70	2.83	3.64	3.75
DIVIDEND RATE PER SHARE (%)	5.00	5.00	5.00	5.50	4.13	3.00

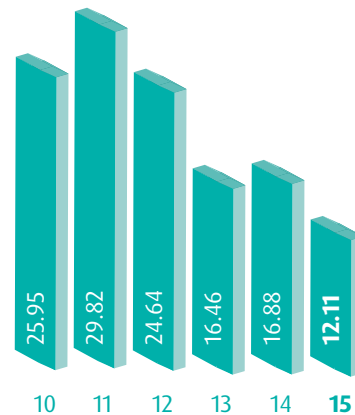
TURNOVER
(RM'000)



PROFIT AFTER TAXATION
(RM'000)



NET EARNINGS PER SHARE
(sen)



PROFILE OF DIRECTORS

MR. KAN YOW KHEONG

Executive Chairman

Mr. Kan Yow Kheong, a Malaysian, aged 61, was appointed to the Board of Analabs as the Executive Chairman on 19 November 1999. Mr. Kan, who is also the major shareholder, joined The Analytical Laboratories (Malaysia) Sdn Bhd (TAL) as a manager of the laboratory in 1980. Trained as a chemist, he graduated from Universiti Sains Malaysia with a degree in Chemistry (Honours).

Having successfully completed the Top Management Program from the Manila-based Asian Institute of Management in 1988, he went on to obtain his Diploma in Marketing Management from CIM (UK) and finally Honours in MBA from Oklahoma City University, (USA).

He is the Chairman of the Remuneration Committee. He has attended all six (6) Board Meetings held during the financial year. He has no family relationship with any director and/or major shareholder of the Company. He has no conflict of interest with the Company and has not been convicted for any offences in the past 10 years.

MR. LIM YOKE SOO

Executive Director

Mr. Lim Yoke Soo, a Malaysian, aged 64, was appointed as the Executive Director of Analabs on 20 August 2010. Mr. Lim graduated with a Bachelor of Science (Honours) in Chemistry from Nanyang University Singapore. In 1976, he began his career as a Process Engineer with National Semiconductor (M) Sdn. Bhd. and later joined The Analytical Laboratories (M) Sdn. Bhd. in 1978 as a Laboratory Chemist. Mr. Lim graduated with a Diploma in Management from the Malaysian Institute of Management. To date, Mr. Lim has accumulated more than 30 years of experience in project management of waste water, pure water treatment plants and marketing for waste recycling jobs. He was also appointed as a Director of several private limited companies.

Mr. Lim has attended six (6) Board Meetings held during the financial year. He has no family relationship with any director and/or major shareholder of the Company. He has no conflict of interest with the Company and has not been convicted for any offences in the past 10 years.

MR. LOW CHIN ANN @ HAN CHIN ANN

Senior Independent Non-Executive Director

Mr. Low Chin Ann @ Han Chin Ann, a Malaysian, aged 35, was appointed to the Board of Directors of the Company on 1 December 2012 as an Independent Non-Executive Director and was identified as the Senior Independent Non-Executive Director of Analabs on 5 January 2015. Mr. Low is a Fellow of the Chartered Certified Accountant (FCCA) since 2008 and holds a Diploma in Computer Science awarded by FTMS-ICL and Certified Accounting Technician awarded by the Association of Chartered Certified Accountants both in year 1999. Mr. Low started as a Tax Executive in RKT Tax Services in year 2001. He then left RKT Tax Services and joined KLC Higher Studies as a lecturer till end of 2002. He was a Course Director at Kolej Kasturi in CAT-Academic from year 2003 to 2006 before he joined FTMS Global Singapore in 2007. Currently, he is a Course Director in Kolej Bandar and acting as a consultant of his own firm, CA Advisory providing corporate training and seminars. He is also an adjunct technical advisor for Thenesh, Renga & Associates as well as a visiting lecturer for Citypro Educare (Johor) and various universities in China. He is also a member of the examination team of an internationally recognised professional accountancy body since 2009.

Mr. Low is the Chairman of the Audit Committee, Nomination Committee and a member of the Remuneration Committee. He has attended six (6) Board Meetings held during the financial year. He has no family relationship with any director and/or major shareholder of the Company. He has no conflict of interest with the Company or has not been convicted for any offences in the past 10 years.

PROFILE OF DIRECTORS

cont'd

Mr. LAI YEW CHOONG

Independent Non-Executive Director

Mr. Lai Yew Choong, a Malaysian, aged 67, was appointed to the Board of Directors of the Company on 1 December 2012 as an Independent Non-Executive Director. Mr. Lai holds a Senior Cambridge awarded by University of Cambridge in year 1965. He started his banking career at Bank of America Kuala Lumpur in 1965 in the Trade Finance Department and was promoted to Chief Dealer of Foreign Exchange in 1973. He joined Bank Bumiputra Malaysia in 1973 to set up Foreign Exchange/Money Market Division carried the position of Bank's Chief Dealer/Treasury Head and was responsible for setting up the Bank's International Dealing Rooms in London, Hong Kong, Tokyo, Singapore and New York. Mr. Lai assumed various positions in Bank Bumiputra Malaysia from Manager, Marketing & Public Affairs (1980-1985), Manager, Correspondent Banking (1985-1986) and Manager, Financial Institutions (1986-1987). He then joined United Asian Bank in 1987 as Deputy General Manager, Treasury & International Banking as part of Bank Negara Malaysia's team to revamp the Bank's operations and remained as Senior Vice President in 1992 after the merger with Bank of Commerce Berhad before he was appointed as Director of Bank of Commerce International Ltd, Labuan from 1995 to 1997. Mr. Lai was the Senior Vice President, Treasury & International Banking of Malaysian French Bank (now known as Alliance Bank) from 1995 to 1997. He then joined Malaysian Plantations Berhad as General Manager to set up and head its financial derivative subsidiary Matrix Core Options & Futures Sdn Bhd. He was appointed as an Executive Director of Matrix Core Options & Futures Sdn Bhd from 1999 until retirement in 2001.

Mr. Lai is a member of the Audit Committee, Nomination Committee and Remuneration Committee. He has attended six (6) Board Meetings during the financial year. He has no family relationship with any director and/or major shareholder of the Company. He has no conflict of interest with the Company or has not been convicted for any offences in the past 10 years.

MR. LIM CHEE BENG

Independent Non-Executive Director

Mr. Lim Chee Beng, a Malaysian, aged 40, was appointed to the Board of Directors of the Company on 5 January 2015 as an Independent Non-Executive Director.

Mr. Lim is an auditor and tax agent with more than 15 years of audit and tax experience and prior to leaving for the practice; he had served multinational and local listed companies. He gained extensive experience from servicing clients who included local and international companies in a wide spectrum of industries covering manufacturing, transportation, services, development, construction and trading. His involvement in tax engagements with local and foreign companies encompassed various aspects of tax compliance and planning strategies/schemes which includes investment incentives, remuneration packages, tax audit and tax investigation. The services provided by his firm included statutory and special audit, tax compliance and planning, accounting, GST compliance and advisory services. He is a member of the Malaysian Institute of Accountants (MIA), Chartered Tax Institute of Malaysia (CTIM), Association of Chartered Certified Accountants (ACCA) and Certified Financial Planner (CFP).

Mr. Lim is a member of the Audit Committee, Nomination Committee and Remuneration Committee. As Mr. Lim only joined the Board in January 2015, he has only attended one (1) Board Meeting held subsequent to his appointment during the financial year. He has no family relationship with any director and/or major shareholder of the Company. He has no conflict of interest with the Company or has not been convicted for any offences in the past 10 years.



CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors of Analabs Resources Berhad, I am pleased to present the Annual Report and the Financial Statements for the financial year ended 30 April 2015 (FYE2015). Our vision at Analabs is to be a leader in recycling of waste, to strategically invest in financial assets and to gain a market presence in the business of trading and building materials as well as property investment. The global market sentiment was badly affected by the challenging economic environment. The world economy was further weakened by the drop of petrol prices from USD110 per barrel to USD50 per barrel.

CHAIRMAN'S STATEMENT

cont'd

OPERATING ENVIRONMENT

On the backdrop of uncertain economic conditions, the implementation of the GST in April 2015, the fluctuation of the foreign currencies, the depreciation of Ringgit Malaysia to RM4.12:USD1 and RM2.93:SGD1 in August 2015, the Group has faced the most challenging global financial crisis as experienced in years 1997/1998.

Despite the adverse market conditions and the lower revenue generated for the year, the Group's performance and the cash flow position remained satisfactory. As the performance of the two Singapore's subsidiaries namely, Toh Ban Seng Contractor Pte. Ltd. and Ban Tiong Soon Contractor Pte. Ltd., whose principal activities are pipe laying and rehabilitation works were showing a downward trend due to effect of the current economic crisis, we have restructured the two subsidiaries in order to improve performance.

GROUP'S RESULTS

Analabs Group has recorded a revenue of RM142.09 million for financial year ended 30 April 2015 (FYE2015), an increase of RM 1.77 million as compared to RM140.30 million recorded for financial year ended 30 April 2014 (FYE2014). Profit after taxation for FYE2015 declined by RM2.76 million to RM6.34 million against RM9.10 million in FYE2014 due to weakening prices as a result of harsh competition and the losses incurred by the Singapore subsidiaries. Earnings per share had dropped to 12.11 sen in FYE2015 compared to 16.88 sen recorded in FYE2014.

The financial position of the Group remains healthy mainly due to prudent management. Bank balances have improved to RM28.96 million in year 2015 from RM21.58 million recorded in year 2014 whilst shareholders' funds have increased to RM211.02 million in year 2015 from RM207.56 million as recorded in the previous year.

DIVIDEND AND SHARE BUY BACK

The Analabs Group's track record over the years is testament to its staying power and strength. Analabs is and will always, remain, committed to delivering long-term value to shareholders.

As part of the Group's on-going efforts to reward the shareholders, the Group paid out an interim single tier dividend of 3.00 sen per ordinary share, amounting to RM1,694,139 in respect of the FYE2015.

During the FYE2015, the Company purchased 624,600 shares at an average price of RM1.83 per share. As at 11 September 2015, being the latest practical date prior to the printing of this annual report, the Company held in total 3,762,700 shares of RM1.00 each as treasury shares.

DIRECTORATE

Mr Lim Chee Beng had joined Analabs Group as an Independent Director on 5 January 2015. Mr Lim who is a MIA member provides valuable contribution to Board and Committee deliberations due to his extensive experience in audit and tax compliance.

BUSINESS OUTLOOK AND STRATEGY

This year, Analabs tile trading business had stabilised under the supervision of new key management and personnel. The Group will not undertake new business ventures in the immediate term due to the challenging global financial outlook but will explore suitable business opportunities should it arise. We will continue to be more selective in investment opportunities in order to position our business for future growth. In the next five years, we aim to source for a right personnel towards achieving our succession plan.

The operations performance for the 5 segments are summarised as follows:-

	Revenue	
	FYE 2015 Million	FYE 2014 Million
Manufacturing , formulation and sale of Resin, chemicals and building materials	RM93.26	RM94.87
Recovery and sale of recycled products	RM25.41	RM27.66
Culture and sale of prawns	RM0.54	RM1.03
Investment Holding and Property Letting	RM0.22	RM0.28
New contract work, pipe laying and work rehabilitation	RM22.66	RM16.48

The Group's performance for the financial year was as follows:

	FYE2015 Million	FYE2014 Million
Group's revenue	RM142.09	RM140.32
Profit after tax	RM6.34	RM9.10

CHAIRMAN'S STATEMENT

cont'd

BUSINESS OUTLOOK AND STRATEGY *Cont'd*

Continuous efforts would be made to develop talent and improve business efficiencies so that we remain well positioned to deal with the changing economic environment. With the above business strategy, we are optimistic that our tile trading and the Singapore technical services would recover and achieve a favourable revenue and profit performance.

The Board of Directors are cautiously optimistic on the future growth prospects of the Group for the coming financial year.

CORPORATE GOVERNANCE

To ensure transparency, accountability and protection of shareholders' interests, the Board places great emphasis on ensuring and maintaining the highest standards of corporate governance throughout the Group. Our statement on corporate governance and related reports are on pages 11 to 20.

CORPORATE SOCIAL RESPONSIBILITY

Recycling, Reuse and Reduce has been our motto since 1980. Among others, Analabs has adopted responsible environmental practices by recycling millions of liters and kilograms of toxic wastes, instead of discharging them into the air and waterways. Analabs is committed to care for the environment through the most effective management and recycling of waste.

The Group is committed to ensure a safe working environment that promotes safety, protects rights, enhances work life balance and propels employee growth to achieve their fullest potential. On the job training are conducted to enhance the employees' skill development.

During the financial year, the Group has also provided valuable assistance in the form of monetary donation to few organisations.

ACKNOWLEDGEMENT

I personally would like to extend my appreciation to my fellow directors, Mr Lai, Mr Low, Mr CB Lim and Mr YS Lim for their valuable insight, guidance and dedication towards the improvement of Analabs. In the near term, our emphasis will be to source and train new talent to meet this Global financial crisis.

On behalf of the Board, I wish to extend my many thanks to our auditors Crowe Horwath, our tax agents, Deloitte Tax, our internal auditors, RSM and our entire management team, all our employees and the directors within the Group for their unwavering determination, hard work, and commitment to work through this difficult years. I also wish to extend my deepest appreciation to our valued customers, business partners and shareholders for their steadfast support and confidence in us.

Y K KAN

Executive Chairman





●老人院是一个大家庭，捐献者不分种族，左起苏纳马连、叶

更多的关怀。
●院长叶玉梅亲自照顾王振年，以让老人能够获得

Laman Web:
SangRiangOldFolksHome.blogspot.com

Email:
sangriang@hotmail.com



H/P : 012-904 7342
TEL : 09-250 5359, 09-250 5379
FAX : 09-250 5359, 09-255 6675

No. 2-13, Jalan Warga Emas, 28300 Triang,
Pahang Darul Makmur.

DERMAAN BOLEH DIBUAT MELALUI AKAUN ATAU CEK BERPALANG KE
**PERTUBUHAN PENGURUSAN RUMAH KEBAJIKAN
WARGA EMAS SANG RIANG** (2119-08-PHG)

AKAUN MAYBANK : 5060 7014 2793

(RESIT DERMAAN ADALAH DIPERAKUI OLEH KERAJAAN
& DIKECUALIKAN DARI CUKAI PENDAPATAN)

No. LHDN : 01/35/42/51/179-6-6352

**RUMAH KEBAJIKAN WARGA EMAS SANG RIANG
AKAUN MAYBANK : 5060 7022 3139**



PENGERUSI
YAP YOKE MOEY

RUMAH KEBAJIKAN WARGA EMAS SANG RIANG
PUSAT RAWATAN HEMODIALISIS SANG RIANG BERA
PUSAT NILAI-NILAI MURNI TRADISI SANG RIANG
PUSAT PENJAGAAN KHAS PESAKIT KRITIKAL SANG RIANG
SUN HOUSE VEGETARIAN RESTAURANT



■本报曾于26日封面报导残疾疯女柯素宝的遭遇，引起读者关注。



Sila Edarkan Majalah Kebajikan Ini Kepada Orang Lain Selepas Dibaca. Budi Anda Dikenang !

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors (“the Board”) of Analabs Resources Berhad “Analabs” believes that good corporate governance is fundamental to the Group’s continued success. Therefore, the Board is committed in ensuring that the highest standards of Corporate Governance, are practiced throughout Analabs, as a fundamental part of discharging its responsibilities to protect and enhance shareholders’ value and financial performance of the organization.

The Group will continue to endeavour to comply with all the key Principles and Best Practices of the Malaysian Code on Corporate Governance 2012 (“the Code”) in its effort to observe high standards of transparency, accountability and integrity. The Group believes that good corporate governance will help to realize long term shareholders value, whilst taking into account the interest of other stakeholders.

The following paragraphs describe how the Group has applied the Principles and Best Practices of the Code.

SECTION 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

Roles and Responsibilities of the Board and Management

The Board retains full and effective control over the affairs of the Company and the Group. This includes responsibility for determining the Company’s and the Group’s development and overall strategic direction which are as follows:

- a. Reviewing and providing guidance on the Company’s and Group’s corporate strategy and adopting a strategic plan for the Company through the development of risk policy, annual budgets and long range business plans, reviewing major capital expenditures, acquisitions and disposals and any material agreements.
- b. Monitoring corporate performance and the conduct of the Group’s business and to ensure compliances to best practices and principles of corporate governance.
- c. Identifying and implementing appropriate systems to manage principal risks. The Board undertakes this responsibility through the Audit Committee and the Steering Committee.
- d. Ensuring and reviewing the adequacy and soundness of the Group’s financial system, internal control systems and management information system that they are in compliance with the applicable standards, laws and regulations.
- e. Ensuring a transparent Board nomination and remuneration process ensuring the skills and experiences of the Directors are adequate for the discharge of their responsibilities whilst the caliber of the Non-Executive Directors bring an independent judgment in the decision making process.

In normal course of events, day to day management of the Company will be in the hands of Management and under the stewardship of the Executive Chairman.

Board Charter

The Company has in place a Board Charter that sets out, among others, the responsibilities, authorities, procedures, evaluations and structures of the Board and Board Committees, as well as the relationship between the Board with its management and shareholders. More information on the Board Charter can be found on the Company’s website at www.analabs.com.my.

Code of Ethics and Conduct

The Board is committed to the highest ethical standards and observe the Company Directors’ Code of Ethics (“Code of Ethics”) established by the Companies Commission Malaysia (“CCM”) towards this aim. The Code of Ethics can be viewed from CCM’s website at www.ssm.com.my.

Whistle Blowing Policy

Employees or persons who have been aggrieved or have concerns to raise, can raise it through the Senior Independent Non-Executive Director.

Sustainability Policy

The Group is committed to operate in a sustainable manner, to contribute positively to the well-being of its stakeholders as well as to provide the employees with an environmentally conscious workplace.

STATEMENT ON CORPORATE GOVERNANCE

cont'd

SECTION 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES cont'd

Supply of Information

All directors are given complete and timely information before each Board Meeting to be convened together with an agenda and a set of Board papers. Board papers are circulated in sufficient time to facilitate active participation and informed decision making.

At least four (4) Board Meetings are held annually to consider the quarterly financial results and to review operational performance. Additional meetings are convened as and when necessary.

All Directors have access to the advice of the Company Secretary, Independent Professional Advisors and Internal/External Auditors in appropriate circumstances at the Company's expense.

Company Secretary

The Company has appointed qualified named secretaries for the Group who possess the requisite qualification and they play a supportive role by ensuring adherence to the Company's constitution, Board policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations from time to time.

SECTION 2: STRENGTHEN THE COMPOSITION OF THE BOARD

Board Composition and Balance

The Board of Directors consists of 5 members comprising:

- 1 Executive Chairman
- 1 Executive Director
- 3 Independent Non-Executive Directors

The Company complies with the criteria of Bursa Malaysia's Listing Requirements of having at least one third or two of the board members as Independent Non-Executive Directors and the Recommendation 3.5 of the Code which states that the Board must comprise a majority of Independent Directors where the Chairman of the Board is not an Independent Director. The profile of each of the Directors is presented on page 5 to page 6 of this Annual Report.

Clear Roles and Responsibilities

The Board has delegated to the Executive Chairman, the authority and power to manage the Company and its businesses within levels of authority specified by the Board from time to time. The Executive Chairman is responsible for the overall leadership and efficient functioning of the Board and day-to-day management of the Company and its subsidiaries (Group).

The Executive Chairman has considerable experience in the Group's businesses and provides leadership for the Board in considering and setting the overall strategies and objectives of the Company. Due to the vast experience of the Executive Chairman, the Board is guided in a timely manner on key issues and developments.

The Independent Directors are independent of management and free from any business relationship which could materially interfere with the exercise of their judgement. They are actively involved in various Board Committees and provide independent judgment, experience and objectivity without being subordinated to operational considerations. They help to ensure that the interests of all shareholders are indeed taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board.

It is a mandatory practice to have the Directors concerned to declare their interests and abstain from the decision making when a potential conflict of interest arises.

STATEMENT ON CORPORATE GOVERNANCE

cont'd

SECTION 2: STRENGTHEN THE COMPOSITION OF THE BOARD cont'd

Board Committees

The Board has delegated certain responsibilities to several Committees, which operate within the clearly defined terms of reference. The Chairman of the various committees will report the outcome of the committee meetings to the Board and such reports are incorporated in the minutes of meeting. The various committees are as follows:-

Committee	Chairman
Audit Committee	Mr. Low Chin Ann @ Han Chin Ann
Nomination Committee	Mr. Low Chin Ann @ Han Chin Ann
Remuneration Committee	Mr. Kan Yow Kheong

Audit Committee

The composition, responsibilities, detailed terms of reference and the activities of the Audit Committee during the financial year are set out separately in the Audit Committee Report on page 26 to page 29 of this Annual Report.

Nomination Committee

(a) Constitution, Purpose and Terms of Reference

The Nomination Committee was established on 25 June 2001. The Nomination Committee's primary function among others is to consider suitable new nominees for appointment as Directors of the Company. The Committee must moreover assess Directors on an on-going basis. The actual decision stipulating who shall be nominated should be the responsibility of the full Board after considering the recommendations of the Nomination Committee.

(b) Composition

The Nomination Committee comprises three (3) members who are exclusively Independent Non-Executive Directors.

The present members of the Nomination Committee of the Company are:

- (i) Mr Low Chin Ann @ Han Chin Ann (*Senior Independent Non-Executive Director; Chairman*)
- (ii) Mr Lai Yew Choong (*Independent Non-Executive Director; Member*)
- (iii) Mr Lim Chee Beng (*Independent Non-Executive Director; Member*)

The Company Secretary is the Secretary of Nomination Committee. The Secretary shall maintain minutes of the proceeding of the Committee and circulate such minutes to all members of the Board.

(c) Rights

The Board must ensure that whatever necessary and reasonable for the performance of its functions, the Nomination Committee has the following rights:

- (i) to resource which are required to perform its duties;
- (ii) full and unrestricted access to any information on the profile of directors;
- (iii) direct communication channels with key management staff such as personnel, accounts, secretarial or independent consultants engaged by the Company; and
- (iv) to obtain independent professional or other advice.

The Board has however full power to decide on the suitability of the nominees and approve their appointments.

STATEMENT ON CORPORATE GOVERNANCE

cont'd

SECTION 2: STRENGTHEN THE COMPOSITION OF THE BOARD cont'd

Nomination Committee cont'd

(d) Functions

The functions of the Nomination Committee shall include:

- (i) Recommends to the Board, suitable candidates for directorships to be filled by the shareholders or the Board;
- (ii) Considers, in making its recommendations, candidates for directorships by management or director or shareholder;
- (iii) Recommends to the Board, directors to fill the seats on the Board Committees;
- (iv) Review annually the required mix of skills and experience and other qualities, including core competencies which the Non-Executive Directors should bring to the Board;
- (v) Assesses on an annual basis the following matters:
 - The effectiveness of the Board as whole;
 - The Committees of the Board; and
 - The contribution of each individual Director.

The assessment process should be pre-determined by the Board.

- (vi) Develops succession planning policy and ensure that the policy is kept under review;
- (vii) Ensures that the policy on selection criteria and succession planning is well documented and approved by the full Board and any change thereto should be subjected to the endorsement of the full Board; and
- (viii) Review the term of office and performance of each of the Committee members of its various standing committees at least once in every three years.

(e) Meetings

Meetings of the Nomination Committee should be held when necessary but at least once a year or more frequently as circumstances required and each meeting must be attended by at least two (2) members.

(f) The Nomination and Election Process of Board Members are as follows:-

Appointment of New Directors

The Board does not set specific criteria for the assessment and selection of candidate for appointment as director. Consideration would be taken on the need to meet the regulatory requirement such as the Companies Act, 1965 and Main Market Listing Requirements, the experience, integrity, wisdom, independence of the candidate, ability to make analytical inquires, ability to work as a team to support the Board, possession of the required skill, qualification and expertise that would add value to the Board, understanding of the business environment and the willingness to devote adequate time and commitment to attend to the duties/functions of the Board.

The Nomination Committee is responsible to recommend candidate to the Board to fill vacancy arising from resignation, retirement or other reasons or if there is a need to appoint additional director with the required skill or profession to the Board in order to close the competency gap in the Board identified by the Nomination Committee. The potential candidate may be proposed by existing director, senior management, shareholders or third party referrals.

Upon receipt of the proposal, the Nomination Committee is responsible to conduct an assessment and evaluation on the proposed candidate.

The assessment/evaluation process may include among others, a review of the candidate's resume, curriculum vitae and qualification. The Nomination Committee would also assess the candidate's integrity, wisdom, independence, ability to make independent and analytical inquiries, ability to work as a team to support the Board, understanding of the business environment and the willingness to devote adequate time and commitment to attend to the duties/functions of the Board.

Upon completion of the assessment and evaluation of the proposed candidate, the Nomination Committee would make its recommendation to the Board. Based on the recommendation of the Nomination Committee, the Board would evaluate and decide on the appointment of the proposed candidate.

STATEMENT ON CORPORATE GOVERNANCE

cont'd

SECTION 2: STRENGTHEN THE COMPOSITION OF THE BOARD cont'd

Nomination Committee cont'd

Annual Assessment of Existing Directors

The director who is subject to re-election and/or re-appointment at the next Annual General Meeting shall be assessed by the Nomination Committee before recommendation is made to the Board and shareholders for the re-election and/or re-appointment.

During the financial year under review, the Nomination Committee has carried out an assessment of the Directors, reviewed the retirement of directors by rotation eligible for re-election at the forthcoming Annual General Meeting.

There were two (2) meetings held during the financial year 2015.

Re - Election

In accordance with the Articles of Association, all Directors shall retire from office at each Annual General Meeting and may offer themselves for re-election. The Articles of Association also provide that all newly appointed Directors will be subject to retirement at the next Annual General Meeting and is eligible for re-election.

Directors over the age of seventy years are required to submit themselves for re-appointment annually in accordance with Section 129 of the Companies Act, 1965.

Remuneration Committee

(a) Constitution, Purpose and Terms of Reference

The Remuneration Committee was established on 25 June 2001.

Its primary function is to set the policy framework and to recommend to the Board on remuneration packages and benefits extended to Directors and key senior management of the Group, drawings from outside advice as necessary.

The Committee must moreover ensure that rewards and remuneration packages commensurate with each of their expected responsibilities and contribution to growth and profitability. This review process is conducted annually and appropriate recommendations are made to the Board for approval.

The determination of the remuneration package for Non-Executive Directors shall be a matter for the Board as a whole. The Director concerned shall abstain from deliberations and voting on decisions in respect of his individual remuneration package.

(b) Composition

The Remuneration Committee comprises four (4) members, of whom three (3) are Independent Non-Executive Directors and one (1) Executive Chairman.

The present members of the Remuneration Committee of the Company are:

- (i) Mr. Kan Yow Kheong (*Executive Chairman*)
- (ii) Mr. Low Chin Ann @ Han Chin Ann (*Senior Independent Non-Executive Director; Member*)
- (iii) Mr. Lai Yew Choong (*Independent Non-Executive Director; Member*)
- (iv) Mr. Lim Chee Beng (*Independent Non-Executive Director; Member*)

The Chairman of the Remuneration Committee is elected among Executive Directors. The Chairman shall attend all meetings of the Committee other than when matters concerning himself are under discussion.

The Company Secretary is the secretary of the Remuneration Committee. The Secretary shall maintain minutes of the proceeding of the Committee and circulate such minutes to all members of the Board.

STATEMENT ON CORPORATE GOVERNANCE

cont'd

SECTION 2: STRENGTHEN THE COMPOSITION OF THE BOARD cont'd

Remuneration Committee cont'd

(c) *Rights*

The Board must ensure that whenever necessary and reasonable for the performance of its function, the Remuneration Committee has the following rights:

- (i) to resource which are required to perform its duties;
- (ii) full and unrestricted access to any information pertaining to the Executive Directors;
- (iii) direct communication channels with key management staff such as personnel, accounts or independent consultants engaged by the Company; and
- (iv) to obtain independent professional or other advice.

The Remuneration Committee has the right to propose a remuneration package for the Directors; however, the Board shall have the ultimate authority to approve the remuneration package of the Director concerned.

(d) *Functions*

The functions of the Remuneration Committee include:-

- (i) to adopt a formal and transparent procedures for developing the policy on remuneration package; and
- (ii) to ensure the remuneration is sufficient to attract and retain the Directors needed to run the Company successfully. The remuneration package should comprise a number of elements, which include basic salary, bonus arrangement and certain non-cash benefits. In the case of Executive Directors, the component parts of remuneration should be structured so as to link rewards to corporate and individual performance. In the case of Non-Executive Directors, the Board will take into consideration the level of remuneration based on their experience and level of responsibilities undertaken by particular Non-Executive Directors concerned.

(e) *Meetings*

Meetings of the Remuneration Committee shall be held at least once a year or more frequently as circumstances require to review the remuneration package of the Executive Directors. At least two (2) members must attend each meeting and the Chairperson should attend all meetings of the Committee other than when matters concerning himself are under discussion.

There was one (1) meeting held during the financial year 2015.

Gender, Ethnicity and Age Group Diversity Policy

The Group does not practice discrimination on any form of gender, ethnicity and age group as the Group is an equal opportunity employer and in its selection for Board representation, the Company believes in, and provides equal opportunity to candidates based strictly on merits and are not driven by any gender, ethnicity or age bias.

Directors' Remuneration

The Remuneration Committee will review and propose the remuneration of the Executive Directors to the Board. To assist the Committee in its function, the Committee may obtain the services of external parties in order to provide a fair determination of the salary. The remuneration that is proposed is based on industry standards and job responsibilities. The Board as a whole determines the remuneration of the Non-Executive Directors. The quantum proposed is tabled to the shareholders at the Annual General Meeting for their approval.

STATEMENT ON CORPORATE GOVERNANCE

cont'd

SECTION 2: STRENGTHEN THE COMPOSITION OF THE BOARD cont'd

Directors' Remuneration cont'd

The details of the remuneration of the Directors of the Group are as follows:

	Salaries & Bonuses RM	Fees RM	Other emoluments RM	Benefits-in- kind RM
Executive Directors				
- Company	102,360	24,000	-	-
- Subsidiaries	1,478,177	337,500	-	-
Subtotal	1,580,537	361,500	-	-
Non-Executive Directors				
- Company	-	28,000	-	-
- Subsidiaries	-	-	-	-
Total	1,580,537	389,500	-	-

The number of Directors whose remuneration falls into the following bands is as follows:-

Group	Salaries & Other Emoluments		Fees	
	Executive Directors	Non-Executive Directors	Executive Directors	Non-Executive Directors
Below RM50,000	1	-	2	3
RM50,001 - RM100,000	2	-	-	-
RM100,001 - RM250,000	1	-	-	-
RM250,001 - RM500,000	2	-	-	-
RM500,001 - RM700,000	1	-	-	-

SECTION 3. REINFORCE INDEPENDENCE

The Board consists of five (5) members comprising the Executive Chairman, one (1) Executive Director and three (3) Independent Non-Executive Directors.

The Board has complied with Paragraph 15.02 of the Main Market Listing Requirements which requires at least two directors or one-third of the Board, (whichever is the higher) to be Independent Directors. The presence of Independent Directors provides objectivity and independent judgment to decision making.

Recommendation 3.2 and 3.3 of the Code states that the tenure of an independent director should not exceed a cumulative term of nine (9) years. Upon completion of the 9 years tenure, the Independent Director may continue to serve on the Board subject to re-designation as Non-Independent Director. In exceptional circumstances, the shareholders may decide that an Independent Director can remain beyond the cumulative term of nine (9) years, subject to the Nomination Committee's assessment, Board's recommendation as well as strong justification to be provided to the shareholders at a general meeting. The Board composition was reviewed in line with the aforesaid recommendation and it was noted that none of its Independent Directors has reached the nine (9) years cumulative term in the Company.

STATEMENT ON CORPORATE GOVERNANCE

cont'd

SECTION 3. REINFORCE INDEPENDENCE cont'd

Assessment on Independence of Directors

Criteria have been set to assess the independence of candidate for directors and existing directors based on the guidelines set out in the Main Market Listing Requirements.

On an annual basis, the Directors are required to confirm their independence by completing the independence checklist.

During the financial year, the Nomination Committee had carried out an assessment on the independence of the Independent Directors to ensure that the Board would be able to discharge its duties and responsibilities effectively.

SECTION 4. FOSTER COMMITMENT

In accordance with the Listing requirements, each member of the Board holds not more than five directorships in public listed companies. This ensures that their commitment, resources and time are focused on the affairs of the group, thereby enabling them to discharge their duties effectively.

Board Meetings

The Board met 6 times during the financial year ended 30 April 2015.

The number of Board meetings held during the financial year 2015 and the attendance of the Board at the Board Meetings are detailed here below:-

Name of Directors	Attendance at meeting	Percentage of Attendance (%)
Kan Yow Kheong <i>Executive Chairman</i>	6/6	100
Lim Yoke Soo <i>Executive Director</i>	6/6	100
Low Chin Ann @ Han Chin Ann <i>Senior Independent Non-Executive Director</i> <i>(Appointed as Senior Independent Non-Executive Director w.e.f 5.1.2015)</i>	6/6	100
Lai Yew Choong <i>Independent Non-Executive Director</i>	6/6	100
Lim Chee Beng <i>Independent Non-Executive Director</i> <i>(Appointed w.e.f. 5.1. 2015)</i>	1/1	100
Ganesan A/L Sundaraj <i>Senior Independent Non-Executive Director</i> <i>(Retired at the 16th Annual General Meeting held on 27.10.2014)</i>	2/3	67

Directors' Training

On joining, new Directors are given background information on the Company and its activities. The Directors are also encouraged to attend various external professional programmes necessary to ensure that they are kept abreast on various issues facing the changing business environment within which the Group operates. All the Directors have completed the Mandatory Accreditation Programme pursuant to the Listing Requirements of Bursa Securities. In addition, Directors continuously receive briefings and updates on the Group's business and operations, finance, corporate governance, new regulations and statutory requirements. Amongst others, the directors had attended an in-house briefing in relation to the amendment to the Listing Requirements in particularly in the areas of Related Party Transactions and the disclosure obligations on material information.

STATEMENT ON CORPORATE GOVERNANCE

cont'd

SECTION 4. FOSTER COMMITMENT cont'd

Directors' Training cont'd

The Company recognizes the importance of the continuous professional development and training for its Directors and the Directors will continue to evaluate and determine the other relevant training programmes to further enhance their knowledge in the latest statutory and regulatory developments as well as to keep abreast with developments in the business environment to enable them to discharge their responsibilities more effectively.

SECTION 5: UPHOLD INTEGRITY IN FINANCIAL REPORTING

Financial Reporting

The Directors are responsible to present a true and fair assessment of the Group's position and prospects in the annual reports and quarterly reports. The quarterly financial results were reviewed by the Audit Committee and approved by the Board of Directors prior to submission to Bursa Malaysia Securities Berhad. The details of the Company and the Group's financial statements for the financial year ended 30 April 2015 can be found on pages 31 to 106 of the Annual Report.

Relationship With The Auditors

The Company always maintain a formal and transparent relationship with its external auditors in seeking their professional advice and ensuring compliance with the accounting standards in Malaysia. The Company's external auditors has and will continue to report to shareholders of the Company on their findings with respect to each year's Audit which are included in the Company's statutory financial statements. From time to time, the auditors highlight to the Audit Committee and Board of Directors on matters that require Board's attention through the issuance of management letters and reports.

The Audit Committee did meet up twice with the External Auditors without the presence of the Executive Chairman and Management during the financial year ended 30 April 2015.

Directors' Responsibility Statement for the Annual Audited Financial Statements

The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 as to give a true and fair view of the state of affairs and the results and cash flows of the Company and the Group for the financial year.

In preparing the financial statements of the Group for the year ended 30 April 2015, the Directors have adopted appropriate accounting policies and applied them consistently, made prudent and reasonable judgments and estimates and ensured the applicable accounting standards in Malaysia and the provisions of the Companies Act, 1965 have been followed. The financial statements have been prepared on a going concern basis.

The Directors acknowledge and are responsible for ensuring that proper accounting records are kept to reflect the reasonable accuracy of the financial position of the Company and the Group and to ensure the financial statements comply with all relevant rules and regulations.

The Directors also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

SECTION 6: RECOGNISE AND MANAGE RISKS

Internal Control And Risk Management

The Group is committed to managing risk by identifying, analysing, evaluating and treating exposures that are likely to have an adverse impact on the operational performance and/or continued effectiveness of its operations. The Board views Enterprise Risk Management as the logical step in the pursuit of its corporate governance agenda and the fulfillment of its long-term corporate objectives towards protecting shareholders' investment and safeguarding organisational assets. Therefore, the Board has engaged a professional firm to conduct a risk assessment on the Group and to establish and formalise the risk management framework.

STATEMENT ON CORPORATE GOVERNANCE

cont'd

SECTION 6: RECOGNISE AND MANAGE RISKS cont'd

Internal Control And Risk Management cont'd

Information on the Group's Internal Control and the Risk Management framework is disclosed under the Statement on Risk Management & Internal Control on pages 23 to 25.

SECTION 7: TIMELY AND QUALITY DISCLOSURE

Corporate Disclosure Policy

The Group acknowledges the importance of timely and equal dissemination of material information to the shareholders, investors and public at large. The Board observes the Corporate Disclosure Guide issued by the Bursa Securities which can be viewed from Bursa Securities' website at www.bursamalaysia.com as well as adhering to and complying with the disclosure requirements of the Listing Requirements.

SECTION 8: RELATIONSHIP BETWEEN THE COMPANY AND THE SHAREHOLDERS

Recognizing the importance of timely dissemination of information to shareholders and other stakeholders, the Board is committed to ensure that the shareholders and other stakeholders are well informed of all important issues and major developments of the Company and the information is communicated to them through the following documents:-

- I. Annual Report
- II. The various disclosures and announcements made to Bursa Malaysia including the Quarterly Results and Annual Results.
- III. Shareholders may obtain the Company's latest announcements via the Bursa Malaysia's website at www.bursamalaysia.com.my and the Company's website at www.analabs.com.my

The Annual General Meeting ("AGM")

The notice of AGM which is contained in the Annual Report is sent out at least twenty-one (21) days prior to the date of the meeting. There will be a commentary by the Chairman at the AGM regarding the Company's performance for each financial year and a brief review on current trading conditions. At each AGM, a platform is available to shareholders to participate in the question and answer session. Extraordinary General Meetings are held when required.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The Group undertook various steps to play its part in contributing to the welfare of the society and communities in the environment it operates. Analabs recognises that for long term sustainability, it would need to look beyond financial parameters. In line with Analabs's motto, "Recycle, Reuse and Reduce", Analabs has adopted responsible environmental practices by recycling millions of liters and kilograms of toxic wastes, instead of discharging them to the air and waterways. The Group also supports important causes such as donation to the needy and community services.

The Group recognises that employees are important assets and the key to its competitive success in the market place. Employees are treated fairly and with respect. The Group does not discriminate against any race, gender and age. Employees are provided with adequate medical benefits and personal accident insurance coverage.

The Group endeavours to broaden its scope of CSR initiatives over time and will plan along this objective accordingly.

COMPLIANCE WITH THE CODE

The Company has substantially complied with the best practices of the Code during the financial year ended 30 April 2015.

This Statement on Corporate Governance is made in accordance with the resolution of the Board of Directors dated 26 August 2015.

ADDITIONAL COMPLIANCE INFORMATION

The following disclosures are made in accordance with Part A of Appendix 9C of the Main Market Listing Requirement of Bursa Securities.

Non-Audit Fees

There were no non-audit fees paid by the Group to the external auditors for the financial year ended 30 April 2015.

Utilization of Proceeds

There were no proceeds raised from any corporate proposal or any utilization of such for the financial year ended 30 April 2015.

Share Buybacks

The Company has purchased a total of 624,600 ordinary shares during the financial year, all of which are retained as treasury shares. None of the shares purchased have been sold or cancelled. Details of the shares purchased, are set out below:-

Month	No. of Ordinary Shares	*Consideration (RM)	Min. price paid per share (RM)	Max price paid per share (RM)	Average price paid per share
September 2014	60,000	111,477.30	1.85	1.85	1.86
October 2014	4,900	9,074.70	1.82	1.85	1.85
December 2014	64,000	109,268.04	1.70	1.70	1.71
February 2015	348,700	650,879.18	1.82	1.90	1.87
March 2015	147,000	268,946.72	1.79	1.85	1.83

* Inclusive of transaction costs

As at 30 April 2015, a total of 3,699,700 ordinary shares were held as treasury shares.

Options, Warrants and Convertible Securities

There were no options, warrants or convertible securities issued for the financial year ended 30 April 2015.

American Depository Receipt ("ADR")/Global Depository Receipt ("GDR")

There were no American Depository Receipt (ADR) or Global Depository Receipt (GDR) programs sponsored by the Company.

Imposition of Sanctions and/or Penalties

There were no Sanctions and/or Penalties imposed on the Company and its subsidiaries, directors or management by the relevant regulatory bodies.

Variation in Results

There was no variation between the Group's audited results for the financial year ended 30 April 2015 and the unaudited results for the quarter ended 30 April 2015 announced by the Company on 26 June 2015.

ADDITIONAL COMPLIANCE INFORMATION

cont'd

Profit Guarantee

The Company did not give any Profit Guarantee during the financial year ended 30 April 2015.

Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving directors' and major shareholders' interest either subsisting at the end of the financial year ended 30 April 2015 or enter into since the end of the previous financial year.

Recurrent related Party Transactions

There were no Recurrent Related Party Transactions of a revenue or trading nature between the Company and its related parties.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance promulgates, inter-alia, the need for listed companies to maintain a sound risk management framework and internal control system to safeguard shareholders' investment and Group's assets. The Board of Directors ("Board") of Analabs Resources Berhad is pleased to present the Statement on Risk Management & Internal Control (the "Statement") which is in compliance with paragraph 15.26(b) of Bursa Malaysia Securities Berhad's Main Market Listing Requirements and has taken into account the guidelines mentioned in the Statement on Risk Management & Internal Control (Guidelines for Directors of Listed Issuers).

RESPONSIBILITIES OF THE BOARD

The Board acknowledges its responsibility for ensuring the adequacy and effectiveness of the Group's Risk Management and Internal Control System. This includes the establishment of an appropriate control environment and risk management framework, processes and structures and continually reviewing the adequacy and integrity of the said systems to safeguard shareholders' investment and the Group's assets.

Whilst acknowledging its responsibilities, the Board is aware of the limitations that are inherent in any systems of internal control and risk management where such systems being designed to manage, rather than eliminate, the risks that may impede the achievement of the Group's business objectives. Accordingly, it can only provide a reasonable, but not absolute assurance against material misstatement or losses, fraud or breaches of laws or regulations.

The Group has established an ongoing process for identifying, evaluating and managing the significant risks that may affect the achievement of its business objectives. Any issue that affects the Group from achieving its business objectives are discussed in the Steering Committee meetings held during the financial year. Management is responsible for assisting the Board in implementing the processes for identifying, evaluating, monitoring and reporting risks and internal controls throughout the period.

For the financial year under review, the Board has received assurance from the Executive Director and Financial Manager that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

The Board is of the view that the Group's risk management and internal control framework and systems are in place for the financial year under review and up to the date of issuance of the financial statements for identifying, evaluating and managing significant risks faced or potentially to be encountered by the Group.

The key elements of the Group's risk management and internal control system are described under the following headings:

INTERNAL CONTROL ENVIRONMENT

In striving to operate a sound system of risk management and internal control that drives the Group towards achieving its goals, the Board of Directors has put in place an organisation structure with formally defined lines of responsibility and delegation of authority.

The Board is responsible towards the overall effectiveness of the Group's risk management and internal control systems through establishing, directing and supervising the operation of a risk framework that adequately manages the various risks faced by the Group whilst the Audit Committee is overall responsible for providing assurance to the Board of Directors, as an independent party, on the effectiveness of the internal control systems and risk management in the Group.

The daily running of business is entrusted to the Executive Chairman and the management team. This close-to-operations management style enables timely identification and reporting of significant matters.

In order to inculcate a standard of ethical behaviour for directors and employees of the Group, a Code of Ethics & Conduct has been established and communicated to all directors and employees of the Group. The Group's Code of Ethics & Conduct is included in the Company's Board Charter.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

cont'd

RISK MANAGEMENT FRAMEWORK

The Board recognises that an effective risk management framework will allow the Group to identify, evaluate and manage risk that affect the achievement of the Group's business objectives within defined risk parameters in a timely and effective manner. Management staffs are delegated with the responsibility of managing identified risks within defined parameters and standards.

The risk management process can be briefly summarised as follows:



This framework identifies the risks affecting the Group and forms the foundation in developing the audit plan for the Group. The internal audit plan is continuously reviewed by the Audit Committee and revised based on changes to the Group's business units/ functions.

INFORMATION AND COMMUNICATION

Flowing from a clear organisational reporting structure, information are communicated and disseminated to key management within the Group. Information critical to the achievement of the Group's business objectives are communicated through established reporting lines across the Group via the Steering Committee meeting. This is to ensure that matters that require the Board and Management's attention are highlighted for review, deliberation and decision on a timely basis.

The Audit Committee holds meetings to deliberate on the findings and recommendations for improvement by the internal auditor on the state of the internal control system and reports to the Board. The Audit Committee also reviews and deliberates on any matters relating to internal control highlighted by the External Auditors in the course of their statutory audit of the financial statements of the Group.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

cont'd

CONTROL AND MONITORING PROCESS

The Group's practice is guided by the Code of Ethics & Conduct. The Board is responsible for setting the Group's long-term business objectives and monitors the conduct of the Group's operations through various Board Committees. The processes adopted by the Board to monitor the effectiveness of the Group's internal control system are as follow:

- The Board and the Audit Committee meet to discuss matters raised by Management, Internal Auditors and External Auditors on business and operational matters.
- The Board has delegated the responsibilities to Management of the Group to implement and monitor the Board's policies on control.
- Delegation of authority is designed to ensure accountability and responsibility.
- Internal procedures and policies are documented.
- Steering Committee meetings are held during the financial year in order to assess the performance of the Group.

The monitoring, review and reporting arrangements in place give reasonable assurance that the structure of controls and its operations are appropriate to the Group's operations that risks are at an acceptable level throughout the Group's businesses. Such arrangement, however, do not eliminate the possibility of human error or deliberate circumvention of control procedures by employees and others.

Periodic reviews of adequacy and integrity of selected areas of internal control system are carried out by the internal audit function and results of such reviews are reported to the Audit Committee. The internal audit function thereby provides independent assurance on the areas reviewed by the internal audit function to the Board on the effectiveness of the Group's internal control system.

CONCLUSION

For the financial year under review and up to the date of issuance of the financial statements, the Board is satisfied with the adequacy and effectiveness of the Group's risk management and internal control system. There were no material losses that have arisen from any inadequacy or failure of the Group's system of internal control which required additional disclosure in the financial statements.

The improvement of the system of internal controls is an on-going process and the Board maintains on-going commitment to strengthen the Group's control environment and processes.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the external auditors have reviewed this Internal Control Statement. Their review was performed in accordance with Recommended Practice Guide (RPG) 5: Guidance for Auditors on the Review of Directors' Statement on Internal Control, issued by the Malaysian Institute of Accountants. Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and integrity of internal control of the Group. RPG 5 does not require the external auditors to, and they did not, consider whether this statement covers all risk and controls, or to form an opinion on the effectiveness of the Group's risk and control procedures.

This Statement is made in accordance with the resolution of the Board of Directors dated 26 August 2015.

AUDIT COMMITTEE

COMPOSITION OF THE AUDIT COMMITTEE

The present members of the Audit Committee of the Company are:

1. Mr. Low Chin Ann @ Han Chin Ann (*Senior Independent Non-Executive Director; Chairman*)
2. Mr. Lai Yew Choong (*Independent Non-Executive Director; Member*)
3. Mr. Lim Chee Beng (*Independent Non-Executive Director; Member*)

THE ROLE OF THE AUDIT COMMITTEE

The Audit Committee assists, supports and implements the Board's responsibility to oversee the Company's operations by providing a means for review of the Company's processes for producing financial data, its internal control and the independence of the Company's External and Internal Auditors.

TERMS OF REFERENCE OF AUDIT COMMITTEE

TERMS OF MEMBERSHIP

The Audit Committee is appointed by the Board of Directors amongst its members and consists of at least three (3) members, all of whom shall be Non-Executive Directors, with a majority of them being Independent Directors.

The Committee shall include at least one member:

- (a) who must be a member of the Malaysian Institute of Accountants ("MIA"); or
- (b) if he is not a member of the MIA, he must have at least three (3) years working experience and
 - (i) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - (ii) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
- (c) he must fulfill such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ('Bursa Securities').

In the event of any vacancy of the Audit Committee resulting in the non-compliance with Paragraph 15.09(1) of the Main Market Listing Requirements of Bursa Securities, the Board shall appoint a new member within three months.

The Chairman of the Audit Committee shall be elected from amongst the Committee Members and he shall be an Independent Director.

The Board of Directors will review the term of office and the performance of the Audit Committee and each of its members at least once in every three years.

No Alternate Director was appointed as a member of the Audit Committee.

MEETINGS AND QUORUM OF THE AUDIT COMMITTEE

The Audit Committee shall meet at least four (4) times a year and the quorum shall be at least two (2) persons with the majority being Independent Directors.

The Executive Directors, Financial Officers, Internal Auditor and a representative of the External Auditors shall normally be invited to attend the Meeting but may be asked to leave a meeting as and when deemed necessary by the Audit Committee. Other members of the Board and employees may attend the meetings upon the invitation of the Audit Committee. At least twice a year or whenever deemed necessary, the Audit Committee shall meet the External Auditors without the presence of other directors and employees. The Audit Committee shall meet the Internal Auditor at least once a year without the presence of other directors and employees.

The Company Secretary shall act as the secretary to the Audit Committee.

AUDIT COMMITTEE

cont'd

DUTIES

The duties and responsibilities of the Audit Committee shall include the following:-

- (i) To consider the nomination and appointment of the External Auditors, to review any questions of resignation or dismissal and to conduct assessment of the performance and independence of the External Auditors and made its recommendations to the Board on their re-appointment and fees;
- (ii) To discuss with the External Auditors before the audit commences, the nature and scope of the audit and ensure co-ordination where more than one audit firm is involved;
- (iii) To discuss with the External Auditors on the evaluation of the systems of internal control and the assistance given by the employees to the External Auditors;
- (iv) To review and report to the Board if there is reason (supported by grounds) to believe that the External Auditors is not suitable for reappointment;
- (v) To review the quarterly and year-end financial statements of the Board, focusing particularly on:
 - any changes in the accounting policies and practices;
 - significant adjustments arising from the audit;
 - the going concern assumption; and
 - compliance with the accounting standards and other legal requirements.
- (vi) To discuss problems and reservations arising from the interim and final audits, and any matter the auditors may wish to discuss (in the absence of the management, where necessary);
- (vii) To review the External Auditors' management letter and the management's response;
- (viii) To appoint senior staff members of the internal audit function or the outsource of the internal audit function and to do the following:-
 - Review the adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;
 - Review the internal audit program and results of the internal audit process and where necessary ensure that appropriate action is taken on the recommendations of the internal audit function;
 - Approve any appointment or termination of senior staff members of the internal audit function or the outsource of the internal audit function;
 - Being informed of any resignation of internal audit staff members and to provide the resigning staff member an opportunity to submit his/her reasons for resigning; and
 - Review any appraisal or assessment of the performance of members of the internal audit department.
- (ix) To consider any related party transactions that may arise within the Company or the Group;
- (x) To review the audit reports prepared by the Internal and External Auditors, the major findings and management's responses thereto;
- (xi) To verify and confirm the allocation of share options pursuant to the Analabs Resources Berhad's Employee Share Option Scheme ("ESOS") (if any) as being in compliance with the criteria set out in the Bye-Laws of the ESOS; and
- (xii) To consider other functions as may be directed by the Board.

Where the Audit Committee is of the view that a matter reported by it to the Board of Directors has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements of Bursa Securities, the Audit Committee has the responsibility to promptly report such matter to Bursa Securities.

AUDIT COMMITTEE

cont'd

AUTHORITY

In undertaking its work, the Audit Committee is authorized by the Board:-

- To investigate any activity within its Terms of Reference and it shall have unrestricted access to the Internal Auditors, the External Auditors, and to all employees of the Group;
- Have access to sufficient resources, provided by the Company in order to carry out its duties, including access to the Company Secretary for assistance as required;
- To have full and unrestricted access to information pertaining to the Company and the Group; and
- To obtain external legal or other independent professional advice, if required.

PROCEDURE OF AUDIT COMMITTEE

The Audit Committee regulates its own procedures which include:

- (i) the calling of meetings;
- (ii) the notice to be given of such meetings;
- (iii) the voting and proceedings of such meetings;
- (iv) the keeping of minutes; and
- (v) the custody, protection and inspection of such minutes.

REVIEW OF THE AUDIT COMMITTEE

The performance of the Audit Committee and each of the members shall be reviewed by the Board of Directors at least once every three (3) years to determine whether the Audit Committee and its members have carried out their duties in accordance with their Terms of Reference.

ATTENDANCE OF AUDIT COMMITTEE MEETINGS

The details of attendance of each Audit Committee member in the Audit Committee meetings held during the financial year ended 30 April 2015 are as follows:

Audit Committee Members	Meetings Attended by the Members/ Total Number of Meetings held During the Financial Year Ended 30 April 2015	% of Attendance
Mr. Low Chin Ann @ Han Chin Ann	5/5	100
Mr. Lai Yew Choong	5/5	100
Mr Lim Chee Beng <i>(Appointed w.e.f. 5 January 2015)</i>	1/1	100
Mr. Ganesan A/L Sundaraj <i>(Retired at the 16th Annual General Meeting held on 27 October 2014)</i>	2/3	67

AUDIT COMMITTEE

cont'd

ACTIVITIES UNDERTAKEN BY AUDIT COMMITTEE

The activities of the Audit Committee during the financial year ended 30 April 2015 include the following:

- a. reviewed the Group's year end audited financial statements presented by the External Auditors and recommended the same to the Board for approval;
- b. reviewed the quarterly financial results announcements;
- c. reviewed audit plan of Internal and External Auditors;
- d. reviewed of the risk assessment framework and reports submitted by the Internal Auditors and recommended the same to the Board for approval;
- e. reviewed the effectiveness of the Group's system of internal control;
- f. reviewed the Company's compliance with Main Market Listing Requirements of Bursa Securities, Malaysian Accounting Standards Board and other relevant legal and regulatory requirements;
- g. assessed the performance and independence of the external auditor.
- h. considered and recommended to the Board for approval, the audit fees paid to Internal and External Auditors; and
- i. reviewed the significant transaction which falls under the Chapter 10 of the Main Market Listing Requirement.

INTERNAL AUDIT FUNCTION

Pursuant to Paragraph 9.25(1), Part A of Appendix 9C(30) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board is pleased to set out below its internal audit function.

The Group's internal audit function is currently outsourced to RSM Corporate Consulting Sdn Bhd and this mitigates the risk of factors affecting the independence of Internal Auditors as it has no involvement in the operations of the Group. The outsourced Internal Auditors, who is responsible for the review and appraisal of the effectiveness of internal controls in the Group reports directly to the Audit Committee.

The Audit Committee has full and direct access to the Internal Auditors, review the reports on all audit performed and monitors its performance. The Audit Committee also reviews the adequacy of the scope, functions, competency and resources of outsourced internal audit functions.

The outsourced internal auditors carried out internal audits within the Group based on a risk-based audit plan approved by the Audit Committee. Based on these audits, the outsourced internal auditors provided the Audit Committee with periodic reports highlighting observations, recommendations and management action plans to improve the system of internal control.

During the financial period, a summary of activities carried out by the outsourced Internal Auditors include:

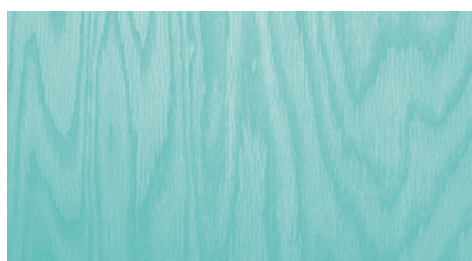
- Performed internal audit review on Toh Ban Seng Contractor Pte. Ltd. and Ban Tiong Soon Contractor Pte. Ltd.
- Issued reports on the results of the internal audit review, identifying weaknesses with suggested recommendations for improvements to management for further action to improve the system of internal control.
- Attended Audit Committee's meetings to table and discuss the audit reports.
- Followed-up on the implementation of corrective action plans agreed by Management on Lux Distributor Sdn. Bhd., Resources Conservation Sdn. Bhd., Syntax System Solutions Sdn. Bhd., Coveright Surfaces Malaysia Sdn. Bhd. and Cleanway Disposal Services Pte. Ltd.

During the year, the Audit Committee has met two times to carry out its responsibility in reviewing the internal audit function and to assure itself on the soundness of internal control system. The costs incurred for the outsourced internal audit function in respect of the financial year amounted to RM38,000.

FINANCIAL STATEMENTS



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P35.	Statement by Directors
P35.	Statutory Declaration
P36.	Independent Auditors' Report
P38.	Statements of Financial Position
P40.	Statements of Profit or Loss and Other Comprehensive Income



P41.	Statement of Changes in Equity
P44.	Statements of Cash Flows
P46.	Notes to the Financial Statements

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 April 2015.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. 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.

RESULTS

	The Group RM'000	The Company RM'000
Profit after taxation for the financial year	6,344	187
Attributable to:-		
Owners of the Company	6,879	187
Non-controlling interests	(535)	-
	6,344	187

DIVIDENDS

Since the end of the previous financial year, the Company paid a single-tier interim dividend of 3 sen per ordinary share, amounting to RM1,694,139 in respect of the financial year ended 30 April 2015.

The Directors do not recommend the payment of any further dividends for the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the authorised and issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

TREASURY SHARES

The details of the treasury shares are set out in Note 21 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

DIRECTORS' REPORT

cont'd

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their value 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 which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

The contingent liabilities are disclosed in Note 46 to the financial statements. At the date of this report, there does not exist:-

- (i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

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, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year.

DIRECTORS' REPORT

cont'd

DIRECTORS

The directors who served since the date of the last report are as follows:-

Kan Yow Kheong
 Lim Yoke Soo
 Lai Yew Choong
 Low Chin Ann @ Han Chin Ann
 Lim Chee Beng (Appointed on 5 January 2015)
 Ganesan A/L Sundaraj (Retired on 27 October 2014)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

	← Number Of Ordinary Shares Of RM1 Each →			
	At 1.5.2014	Bought	Sold	At 30.4.2015
<i>Direct Interests In The Company</i>				
Kan Yow Kheong	31,206,552	-	-	31,206,552
Lim Yoke Soo	212,277	-	-	212,277
<i>Indirect Interest In The Company</i>				
Kan Yow Kheong*	1,186,500	-	-	1,186,500

* Deemed interests through son and spouse's shareholdings.

By virtue of his shareholding in the Company, Kan Yow Kheong is deemed to have interests in shares in the subsidiaries to the extent of the Company's interests, in accordance with Section 6A of the Companies Act 1965 in Malaysia.

The other directors holding office at the end of the financial year had no interest in shares in the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors as shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation 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.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

The significant event during the financial year is disclosed in Note 48 to the financial statements.

DIRECTORS' REPORT

cont'd

AUDITORS

Signed in accordance with a resolution of the directors dated 26 August 2015

Kan Yow Kheong

Lim Yoke Soo

STATEMENT BY DIRECTORS

We, Kan Yow Kheong and Lim Yoke Soo, being two of the directors of Analabs Resources Berhad, state that, in the opinion of the directors, the financial statements set out on pages 38 to 105 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 at 30 April 2015 and of their financial performance and cash flows for the financial year ended on that date.

The supplementary information set out in Note 49 on page 106, which is not part of the financial statements, is prepared in all material respects, 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 and the directive of Bursa Malaysia Securities Berhad.

Signed in accordance with a resolution of the directors dated 26 August 2015

Kan Yow Kheong

Lim Yoke Soo

STATUTORY DECLARATION

I, Lai Nyuk Moi, I/C No. 681125-05-5096, being the officer primarily responsible for the financial management of Analabs Resources Berhad, do solemnly and sincerely declare that the financial statements set out on pages 38 to 105 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 provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
Lai Nyuk Moi, I/C No. 681125-05-5096
at Kuala Lumpur in the Federal Territory
on this 26 August 2015

Lai Nyuk Moi

Before me
Lai Din
No. W 668
Commissioner For Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANALABS RESOURCES BERHAD

(Incorporated in Malaysia) Company No: 468971-A

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Analabs Resources Berhad, which comprise the statements of financial position as at 30 April 2015 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 38 to 105.

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

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

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 of 30 April 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 financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 5 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANALABS RESOURCES BERHAD

(Incorporated in Malaysia) Company No: 468971-A
cont'd

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 49 on page 106 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.

Crowe Horwath
Firm No: AF 1018
Chartered Accountants

26 August 2015

Kuala Lumpur

Chong Tuck Wai
Approval No: 3023/03/17 (J)
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AT 30 APRIL 2015

	Note	The Group		The Company	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiaries	5	-	-	79,787	79,787
Investment in an associate	6	-	-	-	-
Property, plant and equipment	7	155,127	159,840	-	-
Goodwill	8	9,804	9,755	-	-
Investment in quoted shares	9	21,173	13,427	1,121	1,137
Other investments	10	1,549	1,406	1,369	1,226
Amount owing by subsidiaries	11	-	-	12,220	12,220
		187,653	184,428	94,497	94,370
CURRENT ASSETS					
Inventories	12	23,879	20,203	-	-
Amount owing by contract customers	13	2,061	1,092	-	-
Trade receivables	14	33,130	35,789	-	-
Other receivables, deposits and prepayments	15	3,551	13,377	5	3
Amount owing by subsidiaries	11	-	-	13,663	13,354
Tax recoverable		1,270	734	57	-
Fixed deposits with licensed banks	16	4,237	3,620	76	77
Cash and bank balances		28,958	21,583	81	96
		97,086	96,398	13,882	13,530
TOTAL ASSETS		284,739	280,826	108,379	107,900

The annexed notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AT 30 APRIL 2015
cont'd

	Note	The Group		The Company	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	17	60,024	60,024	60,024	60,024
Share premium	18	6,248	6,248	6,248	6,248
Revaluation reserve	19	47,194	47,194	-	-
Foreign exchange translation reserve	20	2,136	1,276	-	-
Treasury shares	21	(5,465)	(4,320)	(5,465)	(4,320)
Fair value reserve	22	(646)	791	408	414
Retained profits	23	101,528	96,343	21,955	23,462
Equity attributable to owners of the Company		211,019	207,556	83,170	85,828
Non-controlling interest		(1,105)	(534)	-	-
TOTAL EQUITY		209,914	207,022	83,170	85,828
NON-CURRENT LIABILITIES					
Deferred tax liabilities	24	18,400	19,955	-	-
Hire purchase payables	25	960	641	-	-
Term loans	26	13,591	17,859	-	-
		32,951	38,455	-	-
CURRENT LIABILITIES					
Amount owing to contract customers	13	409	190	-	-
Trade payables	27	10,245	13,325	-	-
Other payables and accruals	28	11,129	10,860	207	254
Amount owing to subsidiaries	11	-	-	25,002	21,760
Amount owing to a director	29	-	150	-	-
Hire purchase payables	25	384	336	-	-
Bankers' acceptances	30	14,807	5,489	-	-
Term loans	26	4,836	4,506	-	-
Bank overdrafts	31	64	493	-	-
Provision for taxation		-	-	-	58
		41,874	35,349	25,209	22,072
TOTAL LIABILITIES		74,825	73,804	25,209	22,072
TOTAL EQUITY AND LIABILITIES		284,739	280,826	108,379	107,900
NET ASSETS PER SHARE (RM)	32	3.75	3.64		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

	Note	The Group		The Company	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
REVENUE	33	142,088	140,324	371	624
COST OF SALES		(113,830)	(116,949)	-	-
GROSS PROFIT		28,258	23,375	371	624
OTHER INCOME		3,776	7,486	264	147
ADMINISTRATIVE AND OTHER OPERATING EXPENSES		(22,838)	(18,070)	(387)	(701)
FINANCE COSTS		(986)	(926)	-	-
PROFIT BEFORE TAXATION	34	8,210	11,865	248	70
INCOME TAX EXPENSE	35	(1,866)	(2,770)	(61)	(192)
PROFIT/(LOSS) AFTER TAXATION		6,344	9,095	187	(122)
OTHER COMPREHENSIVE INCOME	36				
<u>Item that will not be reclassified subsequently to profit or loss</u>					
Revaluation of properties		-	37,253	-	-
<u>Items that may be reclassified subsequently to profit or loss</u>					
Fair value changes of available-for-sale financial assets		(1,437)	325	(6)	379
Foreign currency translation differences		824	558	-	-
		(613)	883	(6)	379
TOTAL OTHER COMPREHENSIVE (EXPENSES)/INCOME		(613)	38,136	(6)	379
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		5,731	47,231	181	257
PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		6,879	9,695	187	(122)
Non-controlling interest		(535)	(600)	-	-
		6,344	9,095	187	(122)
TOTAL COMPREHENSIVE INCOME/(EXPENSES) ATTRIBUTABLE TO:-					
Owners of the Company		6,302	47,765	181	257
Non-controlling interest		(571)	(534)	-	-
		5,731	47,231	181	257
EARNINGS PER SHARE (SEN)					
Basic	37	12.11	16.88		
Diluted	37	Not applicable	Not applicable		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

	← Non-Distributable		→ Distributable					Total Equity		
	Share Capital	Share Premium	Share Revaluation Reserve	Foreign Exchange Translation Reserve	Treasury Shares	Fair Value Reserve	Retained Profits		Equity Attributable To Owners Of The Company	Non-Controlling Interest
The Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1.5.2013	60,024	6,248	10,015	710	(3,205)	466	88,999	163,257	-	163,257
Profit/(Loss) after taxation for the financial year	-	-	-	-	-	-	9,695	9,695	(600)	9,095
Other comprehensive income for the financial year: 36										
- Revaluation of properties	-	-	37,179	-	-	-	-	37,179	74	37,253
- Fair value changes of available-for-sale financial assets	-	-	-	-	-	325	-	325	-	325
- Foreign currency translation differences	-	-	-	566	-	-	-	566	(8)	558
Total comprehensive income for the financial year	-	-	37,179	566	-	325	9,695	47,765	(534)	47,231
Contributions by and distributions to owners of the Company:										
- Treasury shares acquired	-	-	-	-	(1,115)	-	-	(1,115)	-	(1,115)
- Dividend	-	-	-	-	-	-	(2,351)	(2,351)	-	(2,351)
Total transactions with owners	-	-	-	-	(1,115)	-	(2,351)	(3,466)	-	(3,466)
Balance at 30.4.2014	60,024	6,248	47,194	1,276	(4,320)	791	96,343	207,556	(534)	207,022

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

	Non-Distributable		Distributable				Equity		Total Equity	
	Share Capital	Share Premium	Share Revaluation Reserve	Foreign Exchange Translation Reserve	Treasury Shares	Fair Value Reserve	Retained Profits	Attributable To Owners Of The Company		Non-Controlling Interest
The Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 30.4.2014/1.5.2014	60,024	6,248	47,194	1,276	(4,320)	791	96,343	207,556	(534)	207,022
Profit/(Loss) after taxation for the financial year	-	-	-	-	-	-	6,879	6,879	(535)	6,344
Other comprehensive income for the financial year: 36										
- Fair value changes of available-for-sale financial assets	-	-	-	-	-	(1,437)	-	(1,437)	-	(1,437)
- Foreign currency translation differences	-	-	-	860	-	-	-	860	(36)	824
Total comprehensive income for the financial year	-	-	-	860	-	(1,437)	6,879	6,302	(571)	5,731
Contributions by and distributions to owners of the Company:										
- Treasury shares acquired	-	-	-	-	(1,145)	-	-	(1,145)	-	(1,145)
- Dividend	-	-	-	-	-	-	(1,694)	(1,694)	-	(1,694)
Total transactions with owners	-	-	-	-	(1,145)	-	(1,694)	(2,839)	-	(2,839)
Balance at 30.4.2015	60,024	6,248	47,194	2,136	(5,465)	(646)	101,528	211,019	(1,105)	209,914

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

The Company	Note	← Non-Distributable →				Distributable	Total Equity
		Share Capital	Share Premium	Treasury Shares	Fair Value Reserve	Retained Profits	
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1.5.2013		60,024	6,248	(3,205)	35	25,935	89,037
Loss after taxation for the financial year		-	-	-	-	(122)	(122)
Other comprehensive income for the financial year:	36						
- Fair value changes of available-for-sale financial assets		-	-	-	379	-	379
Total comprehensive income for the financial year		-	-	-	379	(122)	257
Contributions by and distributions to owners of the Company:							
- Treasury shares acquired	21	-	-	(1,115)	-	-	(1,115)
- Dividend	38	-	-	-	-	(2,351)	(2,351)
Total transactions with owners		-	-	(1,115)	-	(2,351)	(3,466)
Balance at 30.4.2014		60,024	6,248	(4,320)	414	23,462	85,828
Balance at 30.4.2014/1.5.2014		60,024	6,248	(4,320)	414	23,462	85,828
Profit after taxation for the financial year		-	-	-	-	187	187
Other comprehensive expense for the financial year:	36						
- Fair value of changes available-for-sale financial assets		-	-	-	(6)	-	(6)
Total comprehensive income for the financial year		-	-	-	(6)	187	181
Contributions by and distributions to owners of the Company:							
- Treasury shares acquired	21	-	-	(1,145)	-	-	(1,145)
- Dividend	38	-	-	-	-	(1,694)	(1,694)
Total transactions with owners		-	-	(1,145)	-	(1,694)	(2,839)
Balance at 30.4.2015		60,024	6,248	(5,465)	408	21,955	83,170

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES				
Profit before taxation	8,210	11,865	248	70
Adjustments for:-				
Allowance for impairment loss on receivables	221	148	-	-
Bad debts written off	1,395	-	-	-
Depreciation of property, plant and equipment	8,499	7,682	-	-
Impairment losses on available-for-sale financial assets	-	637	-	308
Interest expense	986	926	-	-
Inventories written down	214	475	-	-
Property, plant and equipment written off	28	-	-	-
Loss/(Gain) on unrealised foreign exchange	1,982	(1,727)	-	-
(Gain)/Loss on disposal of property, plant and equipment	(30)	18	-	-
Dividend income	(801)	(231)	(120)	(24)
Gain on disposal of investment in quoted shares	-	(181)	-	-
Interest income	(465)	(624)	(241)	(146)
Inventories written back	-	(110)	-	-
Reversal of impairment loss on a property	-	(201)	-	-
Write-back of allowance for impairment losses on receivables	(309)	(1,009)	-	-
Operating profit/(loss) before working capital changes	19,930	17,668	(113)	208
(Increase)/Decrease in inventories	(3,844)	4,337	-	-
Decrease/(Increase) in trade and other receivables	10,512	11,735	(2)	1
(Decrease)/Increase in trade and other payables	(3,049)	(10,784)	(47)	60
CASH FLOWS FROM/(FOR) OPERATIONS	23,549	22,956	(162)	269
Income tax paid	(4,093)	(4,482)	(180)	(144)
Income tax refunded	-	1,982	5	45
Interest paid	(986)	(926)	-	-
NET CASH FROM/(FOR) OPERATING ACTIVITIES	18,470	19,530	(337)	170

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

	Note	The Group		The Company	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
CASH FLOWS FOR INVESTING ACTIVITIES					
Dividends received		801	231	120	24
Interest received		465	624	241	146
Purchase of other investments		(120)	-	-	-
Advances to subsidiaries		-	-	(309)	(424)
Cash outflow for acquisition of subsidiaries	39	-	(18,955)	-	-
Proceeds from disposal of property, plant and equipment		58	75	-	-
Proceeds from disposal of investment in quoted shares		-	2,362	-	-
Purchase of quoted shares		(9,192)	(9,793)	(133)	(7)
Purchase of property, plant and equipment (Placement)/Withdrawal of fixed deposits pledged	40	(1,929)	(8,176)	-	-
		(631)	592	-	(3)
NET CASH FOR INVESTING ACTIVITIES		(10,548)	(33,040)	(81)	(264)
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend paid	38	(1,694)	(2,351)	(1,694)	(2,351)
Purchase of treasury shares		(1,145)	(1,115)	(1,145)	(1,115)
Drawdown of term loan		-	22,448	-	-
Repayment of term loan		(4,601)	(3,660)	-	-
Drawdown/(Repayment) of bankers' acceptances		9,295	(5,385)	-	-
Repayment of hire purchases obligations		(373)	(1,115)	-	-
Advances from subsidiaries		-	-	3,242	3,548
NET CASH FROM FINANCING ACTIVITIES		1,482	8,822	403	82
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		9,404	(4,688)	(15)	(12)
EFFECT OF EXCHANGE RATE DIFFERENCES		(1,614)	915	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		21,104	24,877	96	108
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	41	28,894	21,104	81	96

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

1. GENERAL INFORMATION

The Company is a public company limited by shares and is incorporated under the Companies Act 1965 in Malaysia. The domicile of the Company is Malaysia. The registered office and principal place of business are as follows:-

Registered office : Unit 621, 6th Floor, Block A,
Kelana Centre Point,
No. 3, Jalan SS7/19, Kelana Jaya,
47301 Petaling Jaya,
Selangor Darul Ehsan.

Principal place of business : No. 18, Jalan 6/89B,
Kawasan Perindustrian Trisegi,
Off Jalan Sungai Besi,
57100 Kuala Lumpur.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 26 August 2015.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. 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.

3. BASIS OF PREPARATION

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

3.1 During the current financial year, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 10, MFRS 12 and MFRS 127 (2011): Investment Entities

Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets

Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting

IC Interpretation 21 Levies

The adoption of the above accounting standards and interpretations (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

3. BASIS OF PREPARATION cont'd

- 3.2 The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2017
Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011): Investment Entities – Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101: Presentation of Financial Statements – Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture – Bearer Plants	1 January 2016
Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions	1 July 2014
Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2010 – 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 – 2013 Cycle	1 July 2014
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application except as follows:-

- (i) MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces the existing guidance in MFRS 139 and introduces a revised guidance on the classification and measurement of financial instruments, including a single forward-looking 'expected loss' impairment model for calculating impairment on financial assets, and a new approach to hedge accounting. Under this MFRS 9, the classification of financial assets is driven by cash flow characteristics and the business model in which a financial asset is held. Therefore, it is expected that the Group's investments in unquoted shares that are currently stated at cost less accumulated impairment losses will be measured at fair value through other comprehensive income upon the adoption of MFRS 9. The Group is currently assessing the financial impact of adopting MFRS 9.
- (ii) MFRS 15 establishes a single comprehensive model for revenue recognition and will supersede the current revenue recognition guidance and other related interpretations when it becomes effective. Under MFRS 15, an entity shall recognise revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customers. In addition, extensive disclosures are required by MFRS 15. The Group anticipates that the application of MFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the financial statements. However, it is not practicable to provide a reasonable estimate of the financial impacts of MFRS 15 until the Group performs a detailed review.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial and production factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(b) Construction Contracts

The Group recognises contract revenue and expenses in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs.

Significant judgement is required in determining the stage of completion, the extent of the contract costs incurred, the estimated total contract revenue and costs, as well as the recoverability of the construction projects. In making the judgement, the Company evaluates based on past experience and by relying on the work of specialists.

(c) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

(d) Impairment of Non-Financial Assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(e) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS cont'd

(f) Impairment of Trade and Other Receivables

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its loans and receivables financial assets and analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgement to evaluate the adequacy of the allowance for impairment losses. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation, such difference will impact the carrying value of receivables.

(g) Revaluation of Properties

Certain properties of the Group are reported at valuation which is based on valuations performed by independent professional valuers.

The independent professional valuers have exercised judgement in determining discount rates, estimates of future cash flows, capitalisation rate, terminal year value, market freehold rental and other factors used in the valuation process. Also, judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting valuation estimates.

(h) Impairment of Available-for-sale Financial Assets

The Group reviews its available-for-sale financial assets at the end of each reporting period to assess whether they are impaired. The Group also records impairment loss on available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost.

(i) Classification of Leasehold Land

The classification of leasehold land as a finance lease or an operating lease requires the use of judgement in determining the extent to which risks and rewards incidental to its ownership lie. Despite the fact that there will be no transfer of ownership by the end of the lease term and that the lease term does not constitute the major part of the indefinite economic life of the land, management considered that the present value of the minimum lease payments approximated to the fair value of the land at the inception of the lease. Accordingly, management judged that the Group has acquired substantially all the risks and rewards incidental to the ownership of the land through a finance lease.

(j) Impairment of Goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating unit to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS cont'd

(k) Fair Value Estimates for Certain Financial Assets and Liabilities

The Group carries certain financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Group uses different valuation methodologies. Any changes in fair value of these assets and liabilities would affect profit and/or equity.

4.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

Subsidiaries are entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed to, 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.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

(a) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

(b) Non-controlling Interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

At the end of each reporting period, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.2 BASIS OF CONSOLIDATION cont'd

(c) Changes In Ownership Interests In Subsidiaries Without Change of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity of the Group.

(d) Loss of Control

Upon the loss of control of a subsidiary, the Group recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:-

- (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and
- (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 139 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4.3 GOODWILL

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised as a gain in profit or loss.

4.4 FUNCTIONAL AND FOREIGN CURRENCIES

(a) Functional and Presentation Currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.4 FUNCTIONAL AND FOREIGN CURRENCIES cont'd

(b) Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss except for differences arising from the translation of available-for-sale equity instruments which are recognised in other comprehensive income.

(c) Foreign Operations

Assets and liabilities of foreign operations are translated to RM at the rates of exchange ruling at the end of the reporting period. Revenues and expenses of foreign operations are translated at exchange rates ruling at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity under the translation reserve. On the disposal of a foreign operation, the cumulative amount recognised in other comprehensive income relating to that particular foreign operation is reclassified from equity to profit or loss.

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

In the consolidated financial statements, when settlement of an intragroup loan is neither planned nor likely to occur in the foreseeable future, the exchange differences arising from translating such monetary item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income.

4.5 FINANCIAL INSTRUMENTS

Financial instruments are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.5 FINANCIAL INSTRUMENTS cont'd

(a) Financial Assets

On initial recognition, financial assets are classified as either financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables financial assets, or available-for-sale financial assets, as appropriate.

(i) Financial Assets at Fair Value Through Profit or Loss

Financial assets are classified as financial assets at fair value through profit or loss when the financial asset is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established.

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

As at the end of the reporting period, there were no financial assets classified under this category.

(ii) Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold to maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment loss, with interest income recognised in profit or loss on an effective yield basis.

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

As at the end of the reporting period, there were no financial assets classified under this category.

(iii) Loans and Receivables Financial Assets

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables financial assets. Loans and receivables financial assets are measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.5 FINANCIAL INSTRUMENTS cont'd

(a) Financial Assets cont'd

(iv) Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories.

After initial recognition, available-for-sale financial assets are remeasured to their fair values at the end of each reporting period. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the fair value reserve, with the exception of impairment losses. On derecognition, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity into profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payments is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less accumulated impairment losses, if any.

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

(b) Financial Liabilities

All financial liabilities are initially measured at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(c) Equity Instruments

Instruments classified as equity are measured at cost and are not remeasured subsequently.

(i) Ordinary shares

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(ii) Treasury Shares

When the Company's own shares recognised as equity are bought back, the amount of the consideration paid, including all costs directly attributable, are recognised as a deduction from equity. Own shares purchased that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from total equity.

Where such shares are subsequently sold or reissued, any consideration received, net of any direct costs, is included in equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.5 FINANCIAL INSTRUMENTS cont'd

(d) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4.6 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investments includes transaction costs.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

4.7 INVESTMENTS IN ASSOCIATES

An associate is an entity in which the Group and the Company have a long-term equity interest and where it exercises significant influence over the financial and operating policies.

Investments in associates are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investment includes transaction costs.

The investment in an associate is accounted for in the consolidated statement of financial position using the equity method, based on the financial statements of the associate made up to end of the reporting period. The Group's share of the post acquisition profits and other comprehensive income of the associate is included in the consolidated statement of profit or loss and other comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that significant influence commences up to the effective date on which significant influence ceases or when the investment is classified as held for sale. The Group's interest in the associate is carried in the consolidated statement of financial position at cost plus the Group's share of the post-acquisition retained profits and reserves. The cost of investment includes transaction costs.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation.

Unrealised gains on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are eliminated unless cost cannot be recovered.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.7 INVESTMENTS IN ASSOCIATES cont'd

When the Group ceases to have significant influence over an associate and the retained interest in the former associate is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as the initial carrying amount of the financial asset in accordance with MFRS 139. Furthermore, the Group also reclassifies its share of the gain or loss previously recognised in other comprehensive income of that associate to profit or loss when the equity method is discontinued. However, the Group will continue to use the equity method if the dilution does not result in a loss of significant influence or when an investment in a joint venture becomes an investment in an associate. Under such changes in ownership interest, the retained investment is not remeasured to fair value but a proportionate share of the amounts previously recognised in other comprehensive income of the associate will be reclassified to profit or loss where appropriate. All dilution gains or losses arising in investments in associates are recognised in profit or loss.

4.8 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, other than freehold land and buildings, are stated at cost less accumulated depreciation and impairment losses, if any.

Freehold land is stated at valuation less impairment losses recognised after the date of the revaluation. Freehold land is not depreciated. Freehold buildings are stated at revalued amount less accumulated depreciation and impairment losses recognised after the date of the revaluation.

Freehold land and buildings are revalued periodically, at least once in every 5 years. Surpluses arising from the revaluation are recognised in other comprehensive income and accumulated in equity under the revaluation reserve. Deficits arising from the revaluation, to the extent that they are not supported by any previous revaluation surpluses, are recognised in profit or loss.

Depreciation is charged to profit or loss (unless it is included in the carrying amount of another asset) on the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Leasehold land	Over the lease periods
Buildings	20 - 50 years
Plant and machinery	5 - 10 years
Renovation	5 - 10 years
Office equipment	5 years
Furniture and fittings	5 - 10 years
Laboratory equipment	5 - 10 years
Motor vehicles	4 - 5 years

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.8 PROPERTY, PLANT AND EQUIPMENT cont'd

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset is recognised in profit or loss. The revaluation reserve included in equity is transferred directly to retained profits on retirement or disposal of the asset.

Capital work-in-progress represents machinery which is not ready for commercial use at the end of the reporting period. Capital work-in-progress is not depreciated until they are ready for intended use.

4.9 IMPAIRMENT

(a) Impairment of Financial Assets

All financial assets (other than those categorised at fair value through profit or loss), are assessed at the end of each reporting period whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. For an equity instrument, a significant or prolonged decline in the fair value below its cost is considered to be objective evidence of impairment.

An impairment loss in respect of held-to-maturity investments and loans and receivables financial assets is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the fair value reserve. In addition, the cumulative loss recognised in other comprehensive income and accumulated in equity under fair value reserve, is reclassified from equity to profit or loss.

With the exception of available-for-sale equity instruments, 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 through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. In respect of available-for-sale equity instruments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss made is recognised in other comprehensive income.

For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

(b) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is recognised in profit or loss immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.9 IMPAIRMENT cont'd

(b) Impairment of Non-Financial Assets cont'd

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately, unless the asset is carried at its revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

4.10 ASSETS UNDER HIRE PURCHASE

Assets acquired under hire purchase are capitalised in the financial statements at the lower of the fair value of the leased assets and the present value of the minimum lease payments and, are depreciated in accordance with the policy set out in Note 4.8 above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

4.11 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and comprises the purchase price, production or conversion costs and incidentals incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

4.12 INCOME TAXES

Income tax for the year comprises current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the reporting period and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.12 INCOME TAXES cont'd

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

4.13 CONSTRUCTION WORK-IN-PROGRESS

Construction work-in-progress represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billing and recognised losses. Cost includes all expenditure related to specific projects and an allocation of fixed and variable overhead incurred in the Group's contract activities based on normal operating capacity.

Construction work-in-progress is presented as part of trade and other receivables as amount due from contract customers in the statement of financial position for all contracts in which costs incurred plus recognised profit exceed progress billings. If progress billings exceed costs incurred plus recognised profits, then the difference is presented as amount due to contract customers which is part of the deferred income in the statements of financial position.

4.14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdrafts and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less.

4.15 PROVISIONS

Provisions are recognised when the Group has a present obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The unwinding of the discount is recognised as interest expense in profit or loss.

4.16 EMPLOYEE BENEFITS

(a) Short-term Benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group.

(b) Defined Contribution Plans

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.17 RELATED PARTIES

A party is related to an entity (referred to as the "reporting entity") if:-

- (a) A person or a close member of that person's family is related to a reporting entity if that person:-
 - (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

- (b) An entity is related to a reporting entity if any of the following conditions applies:-
 - (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (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 benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (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 entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

4.18 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an 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 so that the outflow is probable, it will then be recognised as a provision.

4.19 FAIR VALUE MEASUREMENTS

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, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.19 FAIR VALUE MEASUREMENTS cont'd

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;
- Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

4.20 REVENUE AND OTHER INCOME

(a) Sale of Goods

Revenue is measured at fair value of the consideration received or receivable and is recognised upon delivery of goods and customers' acceptance and where applicable, net of returns and trade discounts.

(b) Services

Revenue is recognised upon the rendering of services and when the outcome of the transaction can be estimated reliably. In the event the outcome of the transaction could not be estimated reliably, revenue is recognised to the extent of the expenses incurred that are recoverable.

(c) Contract Revenue

Revenue on contracts is recognised on the percentage of completion method unless the outcome of the contract cannot be reliably determined, in which case revenue on contracts is only recognised to the extent of contract costs incurred that are recoverable. Foreseeable losses, if any, are provided for in full as and when it can be reasonably ascertained that the contract will result in a loss.

The stage of completion is determined based on the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs.

(d) Interest Income

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

(e) Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

(f) Rental Income

Rental income is recognised on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

4. SIGNIFICANT ACCOUNTING POLICIES cont'd

4.21 OPERATING SEGMENTS

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4.22 BORROWING COSTS

Borrowing costs, directly attributable to the acquisition, construction or production of a qualifying asset, are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

All other borrowing costs are recognised in profit or loss as expenses in the period in which they incurred.

Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

4.23 OPERATING LEASES

Leases in which the Group does not assume substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line method over the lease period.

Leasehold land which in substance is an operating lease is classified as prepaid lease payments in the consolidated statement of financial position.

4.24 EARNINGS PER SHARE

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

5. INVESTMENT IN SUBSIDIARIES

	The Company	
	2015	2014
	RM'000	RM'000
Unquoted shares, at cost		
- in Malaysia	83,643	83,643
- outside Malaysia	6,828	6,828
	90,471	90,471
Accumulated impairment losses	(10,684)	(10,684)
At 30 April	79,787	79,787

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

5. INVESTMENTS IN SUBSIDIARIES cont'd

The details of the subsidiaries are as follows:-

Name Of Company	Country Of Incorporation	Effective Equity Interest		Principal Activities
		2015 %	2014 %	
Direct Subsidiaries				
The Analytical Laboratories (Malaysia) Sdn. Bhd.	Malaysia	100	100	Industrial consultancy and analytical chemists.
Masmeru Sdn. Bhd.	Malaysia	100	100	Investment holding.
K & L Chemicals Sdn. Bhd. ^^	Malaysia	100	100	Investment holding and trading of industrial chemicals.
Centralised Waste Treatment Plant Sdn. Bhd.	Malaysia	100	100	Collection, treatment, recovery and recycling of industrial waste and sale of recycled products.
M-Field Sdn. Bhd.	Malaysia	100	100	Property letting and investment holding.
Resources Conservation Sdn. Bhd.	Malaysia	100	100	Collection, treatment, recovery and recycling of industrial waste and sale of recycled products.
Inagro Sdn. Bhd.	Malaysia	100	100	Formulation and repackaging of agricultural chemical products and the provision of storage handling services for these products.
Syntax System Solutions Sdn. Bhd.	Malaysia	100	100	Collection, treatment, recovery of industrial waste and sale of recycled products.
Striketech Sdn. Bhd.	Malaysia	100	100	Culture and sale of prawn, and collection, treatment, recovery and recycling of organic waste.
QSP Chemie (M) Sdn. Bhd.	Malaysia	100	100	Trading in industrial chemical and its related products.
AL Resources Pte. Ltd.*	Singapore	99.99	99.99	Manufacture and trading in paint and its related products.
Global Pacific Petroleum Sdn. Bhd. ("GPP")	Malaysia	100	100	Manufacturing and trading in lubricant products.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

5. INVESTMENTS IN SUBSIDIARIES cont'd

The details of the subsidiaries are as follows:- cont'd

Name Of Company	Country Of Incorporation	Effective Equity Interest		Principal Activities
		2015 %	2014 %	
Direct Subsidiaries				
Cleanway Disposal Services Pte. Ltd. ("CDS")*	Singapore	100	100	Providing containerised waste disposal services.
Coveright Surfaces Malaysia Sdn. Bhd.	Malaysia	100	100	Manufacturing and selling resin impregnated papers.
Lux Distributor Sdn. Bhd.	Malaysia	100	100	Trading in, import and distribution of ceramic tiles and building materials.
Sapphire Lifestyle Sdn. Bhd. ("SLSB")	Malaysia	100	-	Dormant.
Subsidiary of GPP				
Hysper Manufacturing (M) Sdn. Bhd.	Malaysia	100	100	Dormant.
Subsidiary of CDS				
Singapore Analabs Pte. Ltd. ("SAPL")*	Singapore	63	63	Investment holding company.
Subsidiaries of SAPL				
Toh Ban Seng Contractor Pte. Ltd. ("TBS")*	Singapore	63	63	Contract work, pipe laying and rehabilitation.
Ban Tiong Soon Contractor Pte.Ltd. ("BTS")*	Singapore	63	63	Contract work, pipe laying and rehabilitation.

* These subsidiaries were audited by other firms of Chartered Accountants.

^^ In the process of being struck off under Section 308 of the Companies Act 1965 in Malaysia.

- (a) During the financial year, the Company acquired the entire equity interests in SLSB for a total consideration of RM2.
- (b) The summarised financial information for SAPL, TBS and BTS is not presented as the non-controlling interests are not significant to the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

6. INVESTMENT IN AN ASSOCIATE

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Unquoted shares, at cost	#	#	#	#
Less: Impairment loss	-	-	(#)	(#)
	#	#	-	-
Share of post-acquisition losses	(#)	(#)	-	-
	-	-	-	-

- RM40.

The details of the associate are as follows:-

Name Of Company	Country Of Incorporation	Effective Equity Interest		Principal Activity
		2015 %	2014 %	
Titan Crest Sdn. Bhd.	Malaysia	40	40	Dormant.

The Group's share of the associate's current year financial results has not been disclosed as the information is not readily available to the management. The associate has been dormant throughout the year.

Equity accounting ceased with effect from financial year ended 30 April 2004 when the Group's share of cumulative losses in the associate exceeded the carrying amount of its investment in the associate.

7. PROPERTY, PLANT AND EQUIPMENT

The Group	At 1.5.2014 RM'000	Additions RM'000	Reclassification RM'000	Written Off RM'000	Translation Difference RM'000	Depreciation Charge RM'000	At 30.4.2015 RM'000
<i>Net Book Value</i>							
Freehold land	50,315	-	-	-	-	-	50,315
Leasehold land	32,320	-	-	-	-	(537)	31,783
Buildings	52,088	-	-	-	775	(2,167)	50,696
Plant and machinery	18,903	732	12	-	228	(3,717)	16,158
Renovation	112	59	-	-	2	(39)	134
Office equipment	658	224	-	-	17	(270)	629
Furniture and fittings	82	4	-	-	-	(26)	60
Laboratory equipment	352	82	-	-	12	(114)	332
Motor vehicles	4,970	1,530	-	-	149	(1,629)	5,020
Capital work-in-progress	40	-	(12)	(28)	-	-	-
	159,840	2,631	-	(28)	1,183	(8,499)	155,127

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

7. PROPERTY, PLANT AND EQUIPMENT cont'd

The Group	At 1.5.2013		Additions		Acquisition Of Subsidiaries		Revaluation		Reclassification		Disposals		Reversal Of Impairment		Translation Difference		Depreciation Charge		At 30.4.2014		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<i>Net Book Value</i>																					
Freehold land	22,600	3,595	-	18,755	5,365	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50,315	
Leasehold land	24,995	-	-	12,135	(4,528)	-	-	-	-	-	-	-	-	-	-	-	-	(282)	-	32,320	
Buildings	30,105	3,300	6,350	13,723	(876)	-	201	-	-	-	-	-	-	-	-	470	-	(1,185)	-	52,088	
Plant and machinery	14,401	251	8,392	-	15	-	-	-	317	-	-	-	-	-	-	-	-	(4,473)	-	18,903	
Renovation	84	-	8	-	72	-	-	-	-	-	-	-	-	-	-	-	-	(52)	-	112	
Office equipment	270	339	228	-	-	-	-	-	-	-	-	-	-	-	-	14	-	(193)	-	658	
Furniture and fittings	76	2	28	-	-	-	-	-	-	-	-	-	-	-	-	1	-	(25)	-	82	
Laboratory equipment	299	154	-	-	-	-	-	-	-	-	-	-	-	-	-	12	-	(113)	-	352	
Motor vehicles	2,301	535	3,402	-	-	-	-	-	-	-	-	(84)	-	-	-	175	-	(1,359)	-	4,970	
Capital work-in-progress	97	-	-	-	(48)	-	-	-	-	-	-	(9)	-	-	-	-	-	-	-	40	
	95,228	8,176	18,408	44,613	-	-	(93)	201	989	(7,682)	-	159,840									

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

7. PROPERTY, PLANT AND EQUIPMENT cont'd

	At Cost RM'000	At Valuation RM'000	Accumulated Depreciation RM'000	Net Book Value RM'000
The Group				
2015				
Freehold land	-	50,315	-	50,315
Leasehold land	-	32,743	(960)	31,783
Buildings	-	54,293	(3,597)	50,696
Plant and machinery	120,567	-	(104,409)	16,158
Renovation	1,380	-	(1,246)	134
Office equipment	6,012	-	(5,383)	629
Furniture and fittings	1,009	-	(949)	60
Laboratory equipment	3,532	-	(3,200)	332
Motor vehicles	24,433	-	(19,413)	5,020
	156,933	137,351	(139,157)	155,127
2014				
Freehold land	-	50,315	-	50,315
Leasehold land	-	33,012	(692)	32,320
Buildings	-	54,204	(2,116)	52,088
Plant and machinery	107,758	-	(88,855)	18,903
Renovation	500	-	(388)	112
Office equipment	5,051	-	(4,393)	658
Furniture and fittings	839	-	(757)	82
Laboratory equipment	4,710	-	(4,358)	352
Motor vehicles	16,558	-	(11,588)	4,970
Capital work-in-progress	40	-	-	40
	135,456	137,531	(113,147)	159,840

- (a) Certain land and buildings of the Group with a net carrying value amounting to RM30,972,186 (2014 - RM31,307,420) have been pledged to licensed banks as security for banking facilities granted to the Group.
- (b) Included in the assets of the Group at the end of the reporting period were motor vehicles and plant and machinery with a total net book value of RM1,576,649 and RM Nil respectively (2014 - RM1,381,544 and RM203,557), which were acquired under hire purchase terms.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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7. PROPERTY, PLANT AND EQUIPMENT cont'd

- (c) In the previous financial year, the Group's lands and buildings have been revalued by an independent professional valuer. The surpluses arising from the revaluations, net of deferred taxation, have been credited to other comprehensive income and accumulated in equity under the revaluation reserve.

The fair values of the lands and buildings are analysed as follows:-

The Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2015				
Freehold land	-	50,315	-	50,315
Leasehold land	-	31,783	-	31,783
Buildings	-	28,136	22,560	50,696
	-	110,234	22,560	132,794
2014				
Freehold land	-	50,315	-	50,315
Leasehold land	-	32,320	-	32,320
Buildings	-	28,717	23,371	52,088
	-	111,352	23,371	134,723

The level 2 fair values have been determined based on the market comparison approach that reflects recent transaction prices for similar properties. The most significant input into this valuation approach is price per square foot of comparable properties.

The level 3 fair value of buildings have been determined using depreciated replacement cost approach performed by independent valuers.

There were no transfers between level 1 and level 2 during the financial year.

- (d) If the revalued properties were measured using the cost model, the carrying amounts would be as follows:-

	The Group	
	2015 RM'000	2014 RM'000
Freehold land	16,773	16,773
Leasehold land	21,936	22,221
Buildings	22,054	22,450
	60,763	61,444

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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9. INVESTMENT IN QUOTED SHARES

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
At fair value:				
- Quoted shares in Malaysia	19,359	11,831	602	749
- Quoted shares outside Malaysia	1,814	1,596	519	388
	21,173	13,427	1,121	1,137

Investments in quoted shares of the Group are designated as available-for-sale financial assets and are measured at fair value.

10. OTHER INVESTMENTS

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Club membership	180	180	-	-
Investment in trust fund	1,369	1,226	1,369	1,226
	1,549	1,406	1,369	1,226
Represented by:-				
At cost	180	180	-	-
At fair value	1,369	1,226	1,369	1,226
	1,549	1,406	1,369	1,226

(a) Investments in trust fund of the Group are designated as available-for-sale financial assets and are measured at fair value.

(b) Investments in club membership of the Group are designated as available-for-sale financial assets but are stated at cost as their fair values cannot be reliably measured using valuation techniques due to the lack of marketability of the shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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11. AMOUNTS OWING BY/(TO) SUBSIDIARIES

The amount owing by/(to) subsidiaries consists of the following:-

	The Company	
	2015	2014
	RM'000	RM'000
Amount Owing By Subsidiaries		
Non-current	12,220	12,220
Current	13,663	13,354
	25,883	25,574
Amount Owing To Subsidiaries		
Current	(25,002)	(21,760)

The amounts owing are non-trade in nature, unsecured, interest-free and receivable/(repayable) on demand. The amounts owing are to be settled in cash.

The foreign currency exposure profile of the amounts owing by/(to) the subsidiaries at the end of the reporting period is as follows:-

	The Company	
	2015	2014
	RM'000	RM'000
Singapore Dollar	65	63

Included in the amount owing by the subsidiaries is an amount of RM12,220,000 (2014 -RM12,220,000) owing by the subsidiaries for which the settlement is neither planned nor likely to occur in the foreseeable future. These amounts are in substance, a part of the Company's net investment in the subsidiaries. Accordingly, these amounts are classified as non-current assets and stated at cost less accumulated impairment loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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12. INVENTORIES

	The Group	
	2015 RM'000	2014 RM'000
At cost:-		
Livestocks	-	75
Raw materials	16,273	14,396
Packing materials	12	25
Spares	126	126
Finished goods	7,294	2,920
Goods-in-transit	-	1,927
	23,705	19,469
At net realisable value:-		
Raw materials	174	734
	23,879	20,203
Recognised in profit or loss:-		
Inventories recognised as cost of sales	75,322	78,440
Amount written down to net realisable value	214	475
Inventories written back	-	(110)

In the previous financial year, the reversal of inventories written down was in respect of inventories sold above their carrying amounts.

13. AMOUNTS OWING BY/(TO) CONTRACT CUSTOMERS

	The Group	
	2015 RM'000	2014 RM'000
Contract costs incurred to date	16,318	7,756
Progress billings	(14,666)	(6,854)
Net amount owing by contract customers	1,652	902
Represented by:-		
Amount owing by contract customers	2,061	1,092
Amount owing to contract customers	(409)	(190)
	1,652	902

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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14. TRADE RECEIVABLES

	The Group	
	2015 RM'000	2014 RM'000
Trade receivables	33,593	37,117
Allowance for impairment losses	(463)	(1,328)
	33,130	35,789
Allowance for impairment losses:-		
At 1 May	(1,328)	(3,001)
Addition during the financial year	(221)	(148)
Written off during the financial year	763	815
Reversal during the financial year	309	1,009
Foreign exchange translation differences	14	(3)
At 30 April	(463)	(1,328)

The Group's normal trade credit terms range from 30 to 90 (2014 – 30 to 90) days. Other credit terms are assessed and approved on a case-by-case basis.

Trade receivables that are individually determined to be impaired relate to customers that are in significant financial difficulties and have defaulted on payments.

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Other receivables	2,293	12,133	2	2
Deposits	647	521	2	1
Prepayments	586	631	-	-
Grant receivables	-	92	-	-
GST claimable	25	-	1	-
	3,551	13,377	5	3

Included in other receivables in the previous financial year was a profit guarantee amounting to RM8.75 million for which the money was received from vendors of the acquired subsidiaries during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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16. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group and the Company at the end of the reporting period bore effective interest rates ranging from 0.05% to 3.45% (2014 – 2.67% to 3.25%) per annum. The fixed deposits have maturity periods ranging from 1 to 12 months (2014 – 1 to 12 months).

Included in the fixed deposits with licensed banks of the Group and the Company at the end of the reporting period was an amount of RM4,236,552 (2014 – RM3,605,781) which has been pledged to licensed banks as security for banking facilities granted to the Group.

17. SHARE CAPITAL

	The Company			
	2015 Number Of Shares '000	2014 '000	2015 RM'000	2014 RM'000
Ordinary Shares Of RM1 Each:-				
Authorised	100,000	100,000	100,000	100,000
Issued And Fully Paid-Up	60,024	60,024	60,024	60,024

18. SHARE PREMIUM

The share premium is not distributable by way of dividends and may be utilised in the manner set out in Section 60(3) of the Companies Act 1965 in Malaysia.

19. REVALUATION RESERVE

The revaluation reserve represents the increase in the fair value of freehold land, leasehold land and buildings of the Group (net of deferred tax, where applicable).

20. FOREIGN EXCHANGE TRANSLATION RESERVE

The foreign exchange translation reserve arose from the translation of the financial statements of the foreign subsidiaries and is not distributable by way of dividends.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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21. TREASURY SHARES

During the financial year, the Company purchased its issued ordinary shares from the open market under the share buy-back scheme. Details are as follows:-

	The Group/The Company	
	No. of Shares	Total Consideration RM'000
Balance at 1 May 2013	2,426,100	3,205
Addition during the financial year	649,000	1,115
Balance at 30 April 2014/1 May 2014	3,075,100	4,320
Addition during the financial year	624,600	1,145
Balance at 30 April 2015	3,699,700	5,465

The share buy-back scheme was financed by internally generated funds. The shares purchased were retained as treasury shares in accordance with Section 67A of the Companies Act 1965 in Malaysia and are presented as a deduction from shareholders' equity.

22. FAIR VALUE RESERVE

The fair value reserve represents the cumulative fair value changes (net of tax, where applicable) of available-for-sale financial assets until they are disposed of or impaired.

23. RETAINED PROFITS

Under the single tier tax system, tax on the Company's profits is the final tax and accordingly, any dividends to the shareholders are not subject to tax.

24. DEFERRED TAX LIABILITIES

	The Group	
	2015 RM'000	2014 RM'000
At 1 May	19,955	10,299
Acquisition of subsidiaries (Note 39)	-	1,536
Recognised in profit or loss (Note 35)	(1,682)	689
Recognised in other comprehensive income (Note 36)	-	7,360
Foreign exchange translation differences	127	71
At 30 April	18,400	19,955

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

24. DEFERRED TAX LIABILITIES cont'd

The deferred tax liabilities are attributable to the following:-

	The Group	
	2015	2014
	RM'000	RM'000
Accelerated capital allowances over depreciation	5,279	6,533
Provisions	(1,079)	(777)
Revaluation of land and buildings	14,372	14,619
Unabsorbed capital allowances	(109)	(299)
Unutilised tax losses	(58)	(121)
Others	(5)	-
	18,400	19,955

25. HIRE PURCHASE PAYABLES

	The Group	
	2015	2014
	RM'000	RM'000
Minimum hire purchase payments:		
- not later than one year	418	365
- later than one year and not later than five years	932	548
- later than five years	89	140
	1,439	1,053
Less: Future finance charges	(95)	(76)
Present value of hire purchase payables	1,344	977
<u>Current</u>		
Not later than one year	384	336
<u>Non-current</u>		
Later than one year and not later than five years	871	506
Later than five years	89	135
	960	641
	1,344	977

The hire purchase payables bore effective interest rates ranging from 3.00% to 12.02% (2014 - 3.53% to 12.02%) per annum at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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26. TERM LOANS

	The Group	
	2015	2014
	RM'000	RM'000
<u>Current</u>		
Not later than one year	4,836	4,506
<u>Non-Current</u>		
Later than one year and not later than five years	11,185	15,389
Later than five years	2,406	2,470
	13,591	17,859
	18,427	22,365

(a) The term loans bore effective interest rates ranging from 2.40% to 5.25% (2014 – 2.40% to 5.25%) per annum at the end of the reporting period.

(b) The terms loans are secured by:-

- (i) a first legal charge over the lands and buildings as disclosed in Note 7 to the financial statements;
- (ii) a fixed and floating charge over the assets, revenue and rights of certain subsidiaries both present and future;
- (iii) a corporate guarantee of the Company and a subsidiary of SGD5,513,000 each; and
- (iv) a joint and several guarantee for SGD3,230,000 executed by two directors of the Company.

(c) The repayment terms of the term loans are as follows:-

Term loan 1 at 5.25% p.a on monthly rest	Repayable in 240 monthly instalments of SGD6,964 (equivalent to approximately RM17,410), effective from June 2011.
Term loan 2 at 2.40% p.a on daily net basis	Repayable in 60 instalments of SGD154,718 (equivalent to approximately RM386,795), effective from July 2013.

27. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 120 (2014 – 30 to 120) days.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

28. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Other payables	1,713	2,418	62	91
Deposits	291	335	-	-
Accruals	4,718	3,363	122	141
Dividend payables	22	1,022	22	22
GST payable	180	-	1	-
Amount owing to a corporate shareholder of certain subsidiaries	4,205	3,722	-	-
	11,129	10,860	207	254

Included in the other payables and accruals of the Group is an amount owing to a corporate shareholder of certain subsidiaries of SGD1,561,225 or equivalent to approximately RM4.2 million (2014 - SGD1,431,669 or RM3.7 million). The amount owing to a corporate shareholder of certain subsidiaries is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

29. AMOUNT OWING TO A DIRECTOR

In the previous financial year, the amount owing was non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing was settled in cash.

30. BANKERS' ACCEPTANCES

The bankers' acceptances bore effective interest rates ranging from 6.00% to 6.18% (2014 - 4.52% to 5.25%) per annum at the end of the reporting period.

The bankers' acceptances are secured by:-

- (i) a legal charge on the properties of the Group as disclosed in Note 7 to the financial statements;
- (ii) a corporate guarantee of the Company; and
- (iii) a pledge of the fixed deposits of the Group as disclosed in Note 16 to the financial statements.

31. BANK OVERDRAFTS

The bank overdrafts bore an effective interest rate of 9.35% (2014 - 6.00% to 8.10%) per annum and are secured by fixed deposits, a corporate guarantee of the Company and a legal charge over the properties of the Group as disclosed in Note 7.

32. NET ASSETS PER SHARE

The net assets per share is calculated based on the net assets value at the end of the reporting period of approximately RM211,019,000 (2014 - RM207,556,000) divided by the number of ordinary shares in issue at the end of the reporting period of 56,324,300 (2014 - 56,948,900) excluding treasury shares held by the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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33. REVENUE

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Manufacturing, formulation and sale of resin, chemicals and building materials	93,255	94,874	-	-
Recovery and sale of recycled products	25,415	27,663	-	-
Culture and sale of prawns	544	1,026	-	-
Rental income	60	63	-	-
Contract work pipe laying and work rehabilitation	22,656	16,481	-	-
Dividend income from quoted shares	158	217	13	24
Management fee from subsidiaries	-	-	358	600
	142,088	140,324	371	624

34. PROFIT BEFORE TAXATION

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Profit before taxation is arrived at after charging/ (crediting):-				
Allowance for impairment loss on receivables	221	148	-	-
Audit fee:				
- current financial year	253	259	50	45
- (over)/underprovision in the previous financial year	(33)	(29)	20	12
Bad debts written off	1,395	-	-	-
Depreciation of property, plant and equipment	8,499	7,682	-	-
Directors' fee:				
- current year	195	226	52	84
- overprovision in the previous financial year	-	(32)	-	(32)
Directors' non-fee emoluments	127	110	102	80
Impairment losses on available-for-sale financial assets	-	637	-	308
Interest expense:				
- bank overdrafts	46	24	-	-
- hire purchase payables	50	56	-	-
- bankers' acceptances	413	315	-	-
- term loans	477	531	-	-
Inventories written down	214	475	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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34. PROFIT BEFORE TAXATION cont'd

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Property, plant and equipment written off	28	-	-	-
Rental expense:				
- equipment	35	52	-	-
- office	-	161	-	-
- others	931	763	-	-
Staff costs:				
- defined contribution plan	8,243	1,117	-	-
- salaries and other benefits	7,414	13,257	-	-
Foreign exchange loss/(gain):				
- realised	117	(983)	-	-
- unrealised	1,982	(1,727)	-	-
Dividend income from quoted shares	(801)	(231)	(120)	(24)
(Gain)/Loss on disposal of:				
- quoted shares	-	(181)	-	-
- property, plant and equipment	(30)	18	-	-
Interest income:				
- fixed deposits	(366)	(137)	-	(2)
- others	(99)	(487)	(241)	(144)
Inventories written back	-	(110)	-	-
Rental income	(121)	(77)	-	-
Reversal of impairment loss on a property	-	(201)	-	-
Write-back of allowance for impairment losses on receivables	(309)	(1,009)	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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35. INCOME TAX EXPENSE

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Current tax expense:				
- for the financial year	3,137	2,106	125	196
- under/(over) provision in the previous financial year	411	(25)	(64)	(4)
	3,548	2,081	61	192
Deferred tax expense (Note 24):				
- relating to origination and recognition of temporary differences	(661)	418	-	-
- (over)/underprovision in the previous financial year	(1,021)	271	-	-
	(1,682)	689	-	-
	1,866	2,770	61	192

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

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Profit before taxation	8,210	11,865	248	70
Tax at the statutory tax rate of 25%	2,052	2,966	62	17
Tax effects of:-				
Non-deductible expenses	1,044	691	63	179
Tax-exempt income	(2)	(122)	-	-
Non-taxable income	(203)	(646)	-	-
Deferred tax assets not recognised during the financial year	(137)	(80)	-	-
Under/(Over)provision in the previous financial year:				
- current tax	411	(25)	(64)	(4)
- deferred tax	(1,021)	271	-	-
Crystallisation of deferred tax liabilities on mortisation of revalued properties	(304)	-	-	-
Differential in tax rates	25	(20)	-	-
Tax rebate	-	(237)	-	-
Others	1	(28)	-	-
Income tax expense for the financial year	1,866	2,770	61	192

The statutory tax rate will be reduced to 24% from the current financial year's rate of 25%, effective year of assessment 2016.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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36. OTHER COMPREHENSIVE (EXPENSES)/INCOME

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
<u>Items that will not be reclassified subsequently to profit or loss</u>				
Revaluation of properties (Note 7)	-	44,613	-	-
Less: Deferred tax liabilities (Note 24)	-	(7,360)	-	-
	-	37,253	-	-
<u>Items that may be reclassified subsequently to profit or loss</u>				
Fair value of available-for-sale financial assets:				
- changes during the financial year	(1,437)	(144)	(6)	71
- reclassification adjustment to profit or loss on disposal	-	(168)	-	-
- transfer to profit or loss for an impairment loss	-	637	-	308
	(1,437)	325	(6)	379
Foreign currency translation:				
- changes during the financial year	824	558	-	-
	(613)	38,136	(6)	379

37. EARNINGS PER SHARE

The basic earnings per share is arrived at by dividing the Group's profit after taxation of approximately RM6,879,000 (2014 - RM9,695,000) by the weighted average number of ordinary shares in issue of 56,807,917 (2014 - 57,428,150) after taking into account the effects of treasury shares.

	The Group	
	2015	2014
Profit attributable to owners of the Company (RM'000)	6,879	9,695
Weighted average number of ordinary shares ('000):-		
Issued ordinary shares at 1 May	56,949	57,598
Effects of treasury shares held	(141)	(170)
Weighted average number of ordinary shares	56,808	57,428
Basic earnings per share (sen)	12.11	16.88

The diluted earnings per share was not applicable as there were no dilutive potential ordinary shares outstanding at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

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38. DIVIDEND

	The Group/The Company	
	2015	2014
	RM'000	RM'000
Single tier interim dividend of 3 sen per ordinary share in respect of the financial year ended 30 April 2015	1,694	-
Single tier interim dividend of 4.125 sen per ordinary share in respect of the financial year ended 30 April 2014	-	2,351

39. ACQUISITION OF SUBSIDIARIES

(a) During the financial year:-

On 23 December 2014, Analabs Resources Berhad acquired the entire equity interest in Sapphire Lifestyle Sdn. Bhd. ("SLSB") for a total consideration of RM2.

The total fair values of the identifiable assets and liabilities of SLSB at the date of acquisition were:-

	At Date Of Acquisition	
	Carrying Amount	Fair Value Recognised
	RM'000	RM'000
Cash on hand	*	*
Net identifiable assets and liabilities	*	*
Total purchase consideration		*
Less: Cash and cash equivalents of subsidiary acquired		*
Net cash outflow for acquisition of subsidiary		-

The acquired subsidiary has contributed the following results to the Group:-

	The Group
	2015
	RM'000
Revenue	-
Loss after taxation	(1)

If the acquisition had taken place at the beginning of the financial year, the Group's revenue and loss after taxation would have been RM142,087,884 and RM6,343,531 respectively.

* - RM2

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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39. ACQUISITION OF SUBSIDIARIES cont'd

(b) In the previous financial year:-

On 17 May 2013, Cleanway Disposal Services Pte. Ltd. subscribed for a 63% equity interest in Singapore Analabs Pte. Ltd. ("SAPL") for a total consideration of SGD63 (equivalent to approximately RM158).

The subsidiary of the Company, SAPL acquired a 100% equity interests in Toh Ban Seng Contractor Pte. Ltd. ("TBS") and Ban Tiong Soon Contractor Pte. Ltd. ("BTS") for a total consideration of SGD12.5 million (equivalent to approximately RM31 million). The vendors have given a profit guarantee of SGD3.5 million (equivalent to approximately RM8.75 million) for the financial year ended 30 April 2014 of TBS and BTS. As TBS and BTS were unable to achieve the profit guarantee, the vendors have agreed to setoff the profit guarantee of SGD3.5 million against the purchase consideration of SGD12.5 million. The profit guarantee amounting to RM8.75 million was received from the vendors during the financial year ended 30 April 2015 as disclosed in Note 15 to the financial statements.

The total fair values of the identifiable assets and liabilities of TBS and BTS at the dates of acquisition were:-

	At Date Of Acquisition	
	Carrying Amount RM'000	Fair Value Recognised RM'000
Property, plant and equipment	18,408	18,408
Amount owing by directors	409	409
Trade and other receivables	4,290	4,290
Amount owing by contract customers	17,439	17,439
Cash and bank	3,569	3,569
Trade and other payables	(3,689)	(3,689)
Provision for taxation	(806)	(806)
Hire purchase payables	(1,781)	(1,781)
Amount owing to contract customers	(11,886)	(11,886)
Bank overdraft	(24)	(24)
Term loan	(3,199)	(3,199)
Deferred tax liabilities (Note 24)	(1,536)	(1,536)
Net identifiable assets and liabilities	21,194	21,194
Goodwill on acquisition (Note 8)		1,306
Total purchase consideration, net of profit guarantee		22,500
Less: Cash and cash equivalents of subsidiary acquired		(3,545)
Net cash outflow for acquisition of subsidiaries		18,955

NOTES TO THE FINANCIAL STATEMENTS

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cont'd

39. ACQUISITION OF SUBSIDIARIES cont'd

(b) In the previous financial year:- cont'd

The acquired subsidiaries have contributed the following results to the Group:-

	The Group 2014 RM'000
Revenue	16,481
Loss after taxation	(1,623)

If the acquisition had taken place at the beginning of the previous financial year, the Group's revenue and profit after taxation would have been RM142,580,430 and RM9,381,226 respectively.

40. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	The Group	
	2015	2014
	RM'000	RM'000
Cost of property, plant and equipment purchased	2,631	8,176
Amount financed through hire purchase	(702)	-
Cash disbursed for purchase of property, plant and equipment	1,929	8,176

41. CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:-

	The Group		The Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Fixed deposits with licensed banks (Note 16)	4,237	3,620	76	77
Cash and bank balances	28,958	21,583	81	96
Bank overdraft	(64)	(493)	-	-
	33,131	24,710	157	173
Less: Fixed deposits pledged to licensed banks (Note 16)	(4,237)	(3,606)	(76)	(77)
	28,894	21,104	81	96

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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42. DIRECTORS' REMUNERATION

- (a) The aggregate amounts of remuneration received and receivable by the directors of the Group and the Company during the financial year are as follows:-

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Directors Of The Company				
Executive directors:				
- non-fee emoluments	127	110	102	80
- fee	167	166	24	24
Non-Executive directors:				
- fee:				
- current financial year	28	60	28	60
- overprovision in previous financial year	-	(32)	-	(32)
	322	304	154	132
Directors Of The Subsidiaries				
Executive directors:				
- non-fee emoluments	1,453	1,522	-	-
- fee	195	176	-	-
	1,648	1,698	-	-
	1,970	2,002	154	132

- (b) The number of the Company's directors with total remuneration falling in bands of RM50,000 are as follows:-

	The Group			
	2015		2014	
	Executive Directors	Non-Executive Directors	Executive Directors	Non-Executive Directors
Below RM50,000	-	3	-	3
RM50,001 - RM100,000	1	-	1	-
RM100,001 - RM250,000	1	-	1	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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43. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identities of related parties

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, key management personnel and entities within the same group of companies.

(b) Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Management fee charged to subsidiaries	-	-	358	600
Interest charged to a subsidiary	-	-	144	144
Progress billing to a related party	-	1,461	-	-
Key management personnel compensation:				
- Short-term employee benefits	2,459	2,638	154	164

44. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 5 main business segments as follows:-

Business segments	Description
Manufacturing, formulation and sale of resin, chemicals and building materials	Involved in manufacturing, formulation and sale of resin, chemicals and trading in tiles.
Recovery and sale of recycled products	Involved in collecting, treating, recovering and recycling of industrial waste and sale of recycled products.
Culture and sale of prawns	Involved in breeding and selling of prawns.
Investment holding and property letting	Involved in investment holding, management services and property letting.
Contract work, pipe laying and rehabilitation	General contractor.

The Group Executive Committee assesses the performance of the operating segments based on operating profit or loss which is measured differently from those disclosed in the consolidated financial statements.

Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items. Unallocated items comprise mainly investments and related income, loans and borrowings and related expenses, corporate assets (primarily the Company's headquarters) and head office expenses.

Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties.

NOTES TO THE FINANCIAL STATEMENTS

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44. OPERATING SEGMENTS cont'd

Business Segments 2015	Manufacturing, Formulation and Sale of Resin, Chemicals and Building Materials RM'000	Recovery and Sale of Recycled Products RM'000	Culture and Sale of Prawns RM'000	Investment Holding and Property Letting RM'000	Contract Work, Pipe Laying and Rehabilitation RM'000	The Group RM'000
<u>Revenue</u>						
External revenue	93,256	25,414	544	218	22,656	142,088
Inter-segment revenue	1,589	-	-	450	4,133	6,172
	94,845	25,414	544	668	26,789	148,260
Consolidation adjustments and eliminations						(6,172)
Consolidated revenue						142,088
<u>Results</u>						
Segment results	6,973	10,665	243	286	11,828	29,995
Interest income	362	1	4	98	-	465
Other material items of income (a)	336	31	-	60	33	460
Depreciation	(3,128)	(1,716)	(284)	(454)	(2,917)	(8,499)
Other material items of expenses (b)	(3,012)	(3,670)	(181)	-	(9,981)	(16,844)
Other non-cash gain (c)	3,619	-	-	-	-	3,619
	5,150	5,311	(218)	(10)	(1,037)	9,196
Finance costs						(986)
Income tax expense						(1,866)
Consolidated profit after taxation						6,344

NOTES TO THE FINANCIAL STATEMENTS

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44. OPERATING SEGMENTS cont'd

Business Segments 2015	Manufacturing, Formulation and Sale of Resin, Chemicals and Building Materials RM'000	Recovery and Sale of Recycled Products RM'000	Culture and Sale of Prawns RM'000	Investment Holding and Property Letting RM'000	Contract Work, Pipe Laying and Rehabilitation RM'000	Eliminations RM'000	The Group RM'000
Other Information							
Segment assets	169,917	74,240	22,721	130,655	33,022	(147,086)	283,469
Tax recoverable	1,365	74	-	99	-	(268)	1,270
Consolidated total assets							<u>284,739</u>
Segment liabilities	49,943	1,811	1,186	62,601	12,094	(71,210)	56,425
Deferred tax liabilities	5,553	6,421	-	1,543	1,038	3,845	18,400
Consolidated total liabilities							<u>74,825</u>
Capital expenditure	464	1,047	-	-	1,120	-	2,631
Depreciation	3,128	1,716	284	454	2,917	-	<u>8,499</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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44. OPERATING SEGMENTS cont'd

Business Segments 2014	Manufacturing, Formulation and Sale of Resin, Chemicals and Building Materials RM'000	Recovery and Sale of Recycled Products RM'000	Culture and Sale of Prawns RM'000	Investment Holding and Property Letting RM'000	Contract Work, Pipe Laying and Rehabilitation RM'000	The Group RM'000
<u>Revenue</u>						
External revenue	94,874	27,663	1,026	280	16,481	140,324
Inter-segment revenue	1,555	469	-	691	2,306	5,021
	96,429	28,132	1,026	971	18,787	145,345
Consolidation adjustments and eliminations						(5,021)
Consolidated revenue						140,324
<u>Results</u>						
Segment results	10,735	11,778	669	117	8,890	32,189
Interest income	610	5	4	5	-	624
Other material items of income (a)	2,122	46	-	417	(3)	2,582
Depreciation	(4,055)	(1,066)	(269)	(127)	(2,165)	(7,682)
Other material items of expenses (b)	(3,854)	(3,734)	(164)	(637)	(7,785)	(16,174)
Other non-cash gain (c)	1,252	-	-	-	-	1,252
	6,810	7,029	240	(225)	(1,063)	12,791
Finance costs						(926)
Income tax expense						(2,770)
Consolidated profit after taxation						9,095

NOTES TO THE FINANCIAL STATEMENTS

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44. OPERATING SEGMENTS cont'd

Business Segments 2014	Manufacturing, Formulation and Sale of Resin, Chemicals and Building Materials RM'000	Recovery and Sale of Recycled Products RM'000	Culture and Sale of Prawns RM'000	Investment Holding and Property Letting RM'000	Contract Work, Pipe Laying and Rehabilitation RM'000	Eliminations RM'000	The Group RM'000
Other Information							
Segment assets	161,171	69,191	22,987	163,470	32,228	(168,955)	280,092
Tax recoverable							734
Consolidated total assets							280,826
Segment liabilities	42,581	1,460	1,211	62,665	9,694	(63,762)	53,849
Deferred tax liabilities							19,955
Consolidated total liabilities							73,804
Capital expenditure	70	817	32	6,895	362	-	8,176
Depreciation	4,055	1,066	269	127	2,165	-	7,682

Business Segments

(a) Other items of income consist of the following:-

	The Group	
	2015 RM'000	2014 RM'000
Gain on disposal of quoted shares	-	181
Gain on disposal of property, plant and equipment	30	21
Inventories written back	-	110
Realised gain on foreign exchange	-	983
Rental income	121	77
Reversal of impairment loss on a property	-	201
Write-back of allowance for impairment losses on receivables	309	1,009
	460	2,582

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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44. OPERATING SEGMENTS cont'd

Business Segments cont'd

(b) Other items of expenses consist of the following:-

	The Group	
	2015	2014
	RM'000	RM'000
Rental expenses	966	976
Staff costs	15,657	14,374
Impairment losses on available-for-sale financial assets	-	637
Allowance for impairment loss on receivables	221	148
Loss on disposal of property, plant and equipment	-	39
	16,844	16,174

(c) Other non-cash expenses/(gain) consist of the following:-

	The Group	
	2015	2014
	RM'000	RM'000
Bad debts written off	1,395	-
Inventories written down	214	475
Property, plant and equipment written off	28	-
Unrealised loss/(gain) on foreign exchange	1,982	(1,727)
	3,619	(1,252)

Geographical Information

	Revenue		Non-current Assets	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Singapore	37,172	33,236	34,815	36,622
Malaysia	104,916	107,088	152,838	147,806
	142,088	140,324	187,653	184,428

Major Customers

There are no major customers with individual revenue equal or more than 10% of Group's revenue.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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45. FOREIGN EXCHANGE RATES

The principal closing foreign exchange rates used (expressed on the basis of one unit of foreign exchange to RM equivalent) for the translation of the foreign currency balances at the end of the reporting period are as follows:-

	The Group	
	2015	2014
United States Dollar	3.6	3.3
Euro	4.0	4.5
Singapore Dollar	2.7	2.6

46. CONTINGENT LIABILITIES

(a) Litigation

On 28 November 2013, Analabs Resources Sdn. Bhd. (1st Plaintiff) and Lux Distributor Sdn. Bhd. (2nd Plaintiff) filed a civil suit against Khor Siew Foo ("Mr. Khor") for an order that Mr. Khor specifically performs the Management Cum Profit Guarantee Agreement ("MPGA") dated 8 March 2012 by attending his duties as CEO of Lux Distributor Sdn. Bhd. until 31 December 2013. Mr. Khor was requested to pay the 2nd Plaintiff the shortfall in the Net Profit After Taxation for the sum of RM1,500,000.

On 26 December 2013, Mr. Khor filed his defence and counterclaim against the Plaintiffs.

The judgement was delivered on 19 March 2015 in favour of Mr. Khor. Analabs Resources Berhad and Lux Distributor Sdn. Bhd. have filed an appeal against the decision of the High Court. The hearing date for the appeal has not been fixed by the High Court.

(b) Corporate guarantees

	The Company	
	2015	2014
	RM'000	RM'000
Corporate guarantee:		
- licensed banks for credit facilities granted to subsidiaries	151,024	146,683
- suppliers for purchases made by a subsidiary	3,500	12,000
	154,524	158,683

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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47. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risks (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

47.1 Financial Risk Management Policies

The Group's policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Euro and Singapore Dollar ("SGD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

Foreign currency exposure

	Euro	United States Dollar	Singapore Dollar	Ringgit Malaysia	Others	Total
The Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2015						
<u>Financial assets</u>						
Investment in quoted shares	-	-	864	19,359	950	21,173
Other investments	-	-	-	1,549	-	1,549
Trade receivables	5,750	2,604	8,346	16,430	-	33,130
Other receivables and deposits	95	52	369	2,449	-	2,965
Fixed deposits with licensed banks	-	-	539	3,698	-	4,237
Cash and bank balances	9,739	5,064	8,609	5,544	2	28,958
	15,584	7,720	18,727	49,029	952	92,012

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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47. FINANCIAL INSTRUMENTS cont'd

47.1 Financial Risk Management Policies cont'd

(a) Market Risk cont'd

(i) Foreign Currency Risk cont'd

Foreign currency exposure cont'd

The Group	Euro RM'000	United States Dollar RM'000	Singapore Dollar RM'000	Ringgit Malaysia RM'000	Others RM'000	Total RM'000
2015						
<u>Financial liabilities</u>						
Trade payables	1,284	585	3,225	5,151	-	10,245
Other payables and accruals	-	-	5,845	5,284	-	11,129
Hire purchase payables	-	-	1,121	223	-	1,344
Bankers' acceptances	232	-	393	14,054	128	14,807
Term loans	-	-	18,427	-	-	18,427
Bank overdrafts	-	-	-	64	-	64
	1,516	585	29,011	24,776	128	56,016
Net financial assets/ (liabilities)	14,068	7,135	(10,284)	24,253	824	35,996
Less: Net financial liabilities/(assets) denominated in the respective entities' functional currencies	-	-	10,284	(24,253)	-	(13,969)
Currency exposure	14,068	7,135	-	-	824	22,027

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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47. FINANCIAL INSTRUMENTS cont'd

47.1 Financial Risk Management Policies cont'd

(a) Market Risk cont'd

(i) Foreign Currency Risk cont'd

Foreign currency exposure cont'd

	Euro	United States Dollar	Singapore Dollar	Ringgit Malaysia	Others	Total
The Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2014						
<u>Financial assets</u>						
Investment in quoted shares	-	-	750	11,831	846	13,427
Other investments	-	-	-	1,406	-	1,406
Trade receivables	9,727	2,062	10,405	13,595	-	35,789
Other receivables and deposits	337	1,565	9,498	1,346	-	12,746
Fixed deposits with licensed banks	-	-	-	3,620	-	3,620
Cash and bank balances	7,061	3,979	1,525	9,016	2	21,583
	17,125	7,606	22,178	40,814	848	88,571
<u>Financial liabilities</u>						
Trade payables	913	365	3,396	7,972	679	13,325
Other payables and accruals	41	-	4,934	5,885	-	10,860
Amount owing to a director	-	-	-	150	-	150
Hire purchase payables	-	-	870	107	-	977
Bankers' acceptances	-	-	-	5,489	-	5,489
Term loans	-	-	22,365	-	-	22,365
Bank overdrafts	-	-	489	4	-	493
	954	365	32,054	19,607	679	53,659
Net financial assets/(liabilities)	16,171	7,241	(9,876)	21,207	169	34,912
Less: Net financial liabilities/(assets) denominated in the respective entities' functional currencies	-	-	9,876	(21,207)	-	(11,331)
Currency exposure	16,171	7,241	-	-	169	23,581

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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47. FINANCIAL INSTRUMENTS cont'd

47.1 Financial Risk Management Policies cont'd

(a) Market Risk cont'd

(i) Foreign Currency Risk cont'd

Foreign currency risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:-

	The Group	
	2015	2014
	RM'000	RM'000
Effects on profit after taxation/Effect on equity		
Euro/RM - strengthened by 10%	1,055	1,212
- weakened by 10%	(1,055)	(1,212)
USD/RM - strengthened by 10%	535	543
- weakened by 10%	(535)	(543)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities. The Group's policy is to obtain the most favourable interest rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

Information relating to the Group's exposure to the interest rate risk of the financial liabilities is disclosed in Note 47.1(c) to the financial statements.

Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group	
	2015	2014
	RM'000	RM'000
Effects On Profit After Taxation/Equity		
Increase of 100 basis points	(218)	(185)
Decrease of 100 basis points	218	185

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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47. FINANCIAL INSTRUMENTS cont'd

47.1 Financial Risk Management Policies cont'd

(a) Market Risk cont'd

(iii) Equity Price Risk

The Group's principal exposure to equity price risk arises mainly from changes in quoted investment prices. The Group manages its exposure to equity price risk by maintaining a portfolio of equities with different risk profiles.

Equity price sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the prices of the quoted investments as at the end of the reporting period, with all other variables held constant:-

	The Group	
	2015	2014
	RM'000	RM'000
<i>Effect on Equity</i>		
Increase of 5%	1,127	733
Decrease of 5%	(1,127)	(733)

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted investments, cash and bank balances and derivatives), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. Impairment is estimated by management based on prior experience and the current economic environment.

(i) Credit risk concentration profile

The Group does not have any major concentration of credit risk related to any individual customer or counterparty.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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47. FINANCIAL INSTRUMENTS cont'd

47.1 Financial Risk Management Policies cont'd

(b) Credit Risk cont'd

(ii) Exposure to credit risk

As the Group does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets as at the end of the reporting period.

The exposure of credit risk for trade receivables by geographical region is as follows:-

	The Group	
	2015	2014
	RM'000	RM'000
Australia	2,754	5,036
Asia	3,438	4,237
South East Asia	9,136	10,949
Malaysia	16,430	13,595
Others	1,372	1,972
	33,130	35,789

(iii) Ageing analysis

The ageing analysis of the Group's trade receivables at the end of the reporting period is as follows:-

The Group	Gross Amount RM'000	Individual Impairment RM'000	Collective Impairment RM'000	Carrying Value RM'000
2015				
Not past due	15,656	-	-	15,656
Past due:				
- less than 3 months	14,655	-	-	14,655
- 3 to 6 months	2,411	-	-	2,411
- over 6 months	871	(463)	-	408
	33,593	(463)	-	33,130
2014				
Not past due	22,869	-	-	22,869
Past due:				
- less than 3 months	11,198	-	-	11,198
- 3 to 6 months	1,609	-	-	1,609
- over 6 months	1,441	(1,328)	-	113
	37,117	(1,328)	-	35,789

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

47. FINANCIAL INSTRUMENTS cont'd

47.1 Financial Risk Management Policies cont'd

(b) Credit Risk cont'd

(iii) Ageing analysis cont'd

At the end of the reporting period, trade receivables that are individually impaired were those in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancement.

The collective impairment allowance is determined based on estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience.

Trade receivables that are past due but not impaired

The Group believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection track record and no recent history of default.

Trade receivables that are neither past due nor impaired

The trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due or more than 90 days, which are deemed to have higher credit risk, are monitored individually.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
2015						
Trade payables	-	10,245	10,245	10,245	-	-
Other payables and accruals	-	11,129	11,129	11,129	-	-
Hire purchase payables	3.00 - 12.02	1,344	1,439	418	932	89
Bankers' acceptances	6.00 - 6.18	14,807	14,807	14,807	-	-
Term loans	2.40 - 5.25	18,427	19,127	5,202	11,029	2,896
Bank overdrafts	9.35	64	64	64	-	-
		56,016	56,811	41,865	11,961	2,985

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

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47. FINANCIAL INSTRUMENTS cont'd

47.1 Financial Risk Management Policies cont'd

(c) Liquidity Risk cont'd

The Group	Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 – 5 Years RM'000	Over 5 Years RM'000
2014						
Trade payables	-	13,325	13,325	13,325	-	-
Other payables and accruals	-	10,860	10,860	10,860	-	-
Amount owing to a director	-	150	150	150	-	-
Hire purchase payables	3.53 - 12.02	977	1,053	365	548	140
Bankers' acceptances	4.52 - 5.25	5,489	5,489	5,489	-	-
Term loans	2.40 - 5.25	22,365	23,358	4,917	15,653	2,788
Bank overdrafts	6.00 - 8.10	493	493	493	-	-
		53,659	54,728	35,599	16,201	2,928
The Company						
2015						
Other payables and accruals	-	207	207	207	-	-
Amount owing to subsidiaries	-	25,002	25,002	25,002	-	-
		25,209	25,209	25,209	-	-
2014						
Other payables and accruals	-	254	254	254	-	-
Amount owing to subsidiaries	-	21,760	21,760	21,760	-	-
		22,014	22,014	22,014	-	-

NOTES TO THE FINANCIAL STATEMENTS

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47. FINANCIAL INSTRUMENTS cont'd

47.2 Capital Risk Management

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as total net borrowings from financial institutions divided by total equity.

The debt-to-equity ratio of the Group at the end of the reporting period was as follows:-

	The Group	
	2015	2014
	RM'000	RM'000
Hire purchase payables	1,344	977
Term loans	18,427	22,365
Bankers' acceptances	14,807	5,489
Bank overdrafts	64	493
	34,642	29,324
Less: Fixed deposits with licensed banks	(4,237)	(3,620)
Less: Cash and bank balances	(28,958)	(21,583)
Net debt	1,447	4,121
Total equity	209,914	207,022
Debt-to-equity ratio	0.01	0.02

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity (total equity attributable to owners of the Company) equal to or not less than the 25% of the issued and paid-up share capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

NOTES TO THE FINANCIAL STATEMENTS

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47. FINANCIAL INSTRUMENTS cont'd

47.3 Classification Of Financial Instruments

	The Group		The Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Financial assets				
<u>Available-for-sale financial assets</u>				
Investments in quoted shares	21,173	13,427	1,121	1,137
Other investments	1,549	1,406	1,369	1,226
	22,722	14,833	2,490	2,363
<u>Loans and receivables financial assets</u>				
Trade receivables	33,130	35,789	-	-
Other receivables and deposits	2,965	12,746	5	3
Amount owing by subsidiaries	-	-	13,663	13,354
Fixed deposits with licensed banks	4,237	3,620	76	77
Cash and bank balances	28,958	21,583	81	96
	69,290	73,738	13,825	13,530
Financial liabilities				
<u>Other financial liabilities</u>				
Trade payables	10,245	13,325	-	-
Other payables and accruals	11,129	10,860	207	254
Amount owing to subsidiaries	-	-	25,002	21,760
Amount owing to a director	-	150	-	-
Hire purchase payables	1,344	977	-	-
Bankers' acceptances	14,807	5,489	-	-
Term loans	18,427	22,365	-	-
Bank overdrafts	64	493	-	-
	56,016	53,659	25,209	22,014

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

47. FINANCIAL INSTRUMENTS cont'd

47.4 Fair Value Information

Other than those disclosed below, the fair values of the financial assets and financial liabilities maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments. These fair values are included in level 2 of the fair value hierarchy.

	Fair Value Of Financial Instruments Carried At Fair Value			Fair Value Of Financial Instruments Not Carried At Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
The Group								
2015								
<u>Financial assets</u>								
Investments in quoted shares	21,173	-	-	-	-	-	21,173	21,173
Other investments	1,549	-	-	-	-	-	1,549	1,549
<u>Financial liabilities</u>								
Hire purchase payables	-	-	-	-	1,344	-	1,344	1,344
Term loans	-	-	-	-	18,427	-	18,427	18,427
2014								
<u>Financial assets</u>								
Investments in quoted shares	13,427	-	-	-	-	-	13,427	13,427
Other investments	1,226	-	-	-	180	-	1,406	1,406
<u>Financial liabilities</u>								
Hire purchase payables	-	-	-	-	977	-	977	977
Term loans	-	-	-	-	22,365	-	22,365	22,365

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

47. FINANCIAL INSTRUMENTS cont'd

47.4 Fair Value Information

	Fair Value Of Financial Instruments Carried At Fair Value			Fair Value Of Financial Instruments Not Carried At Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
The Company								
2015								
<u>Financial assets</u>								
Investments in quoted shares	1,121	-	-	-	-	-	1,121	1,121
Other investments	1,369	-	-	-	-	-	1,369	1,369
2014								
<u>Financial assets</u>								
Investments in quoted shares	1,137	-	-	-	-	-	1,137	1,137
Other investments	1,226	-	-	-	-	-	1,226	1,226

- (a) The fair values above are for disclosure purposes and have been determined using the following basis:-
- (i) The fair values of quoted investments are measured at their quoted closing bid prices at the end of the reporting period.
 - (ii) The fair values of hire purchases payables are determined by discounting the relevant cash flows using interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows range from 0% to 12.02% (2014 - 3.53% to 12.02%) per annum.
 - (iii) The carrying amounts of the term loans approximated their fair values as these are floating rate instruments that are repriced to market interest rates on or near the reporting date.
- (b) In regard to financial instruments carried at fair value, there were no transfer between level 1 and level 2 during the financial year.

48. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 23 December 2014, the Company acquired the entire equity interests in Sapphire Lifestyle Sdn. Bhd. for a total consideration of RM2.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

cont'd

49. SUPPLEMENTARY INFORMATION – DISCLOSURE OF REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of the retained profits of the Group and of the Company as at the end of the reporting period into realised and unrealised profits/(losses) are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared 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, as follows:-

	The Group		The Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Retained profits:				
- realised	136,518	129,466	21,955	23,462
- unrealised	(6,010)	(3,609)	-	-
	130,508	125,857	21,955	23,462
Less: Consolidation adjustments	(28,980)	(29,514)	-	-
At 30 April	101,528	96,343	21,955	23,462

LIST OF PROPERTIES HELD BY THE GROUP

No.	Beneficial Proprietor	Location	Tenure	Description and Age of Building	Land Area (sq.m.)	Existing Use	Built-up Area (sq.m.)	Carrying Amount 30/04/2015 (RM)	Date of Revaluation
1	M-Field Sdn Bhd (Note: 1)	PN 5288 Lot No 55, Section 92A, Town of Kuala Lumpur, Wilayah Persekutuan.	Leasehold for 66 years expiring 21st March 2043	Leasehold Land & Building 32 years old	156	Owner Occupied 4 Storey Office	624	716,152	Revalued on 02/04/2014
2	M-Field Sdn Bhd (Note: 2)	PN 5287 Lot No 54, Section 92A, Town of Kuala Lumpur, Wilayah Persekutuan.	Leasehold for 66 years expiring 21st March 2043	Leasehold Land & Building 32 years old	156	Owner Occupied 4 Storey Office	616	697,205	Revalued on 02/04/2014
3	M-Field Sdn Bhd	Nos 302 & 304, 2 1/2 Mile, Jalan Ipoh, 51200 Kuala Lumpur.	Freehold	Freehold Land & Buildings 34 years old	336	Owner Occupied 2 units of four-storey shop/offices (intermediate unit)	1322.90	6,670,433	9/8/2011
4	M-Field Sdn Bhd	HS (D) 4791 PT NO 388, Lot 5782, Mukim 12, Daerah Barat Daya, Pulau Pinang.	Leasehold for 60 years expiring 4th June 2046	Leasehold Land & Buildings 25 years old	5,811	Owner Occupied 2 Storey Office Block, Factory & Warehouse	2,290	5,804,567	Revalued on 02/04/2014
5	Inagro Sdn Bhd	HS (D) 35467 PT No 19569, Mukim of Kapar, District of Klang, Selangor Darul Ehsan.	Freehold	Freehold Land & Residential Building 17 years old	121	Owner Occupied Single Storey Terrace House	74	113,000	Revalued on 02/04/2014
6	Inagro Sdn Bhd	HS (D) 36256 Lot No 15825, Mukim of Kapar, District of Klang, Selangor Darul Ehsan.	Freehold	Vacant Freehold Industrial Land	8,144	Vacant Industrial Land & open-sided Warehouse	n/a	2,285,000	Revalued on 02/04/2014
7	Inagro Sdn Bhd	CT 26641 Lot No 6493, Mukim of Kapar, District of Klang, Selangor Darul Ehsan.	Freehold	Freehold Land & Buildings 18 years old	20,234	Owner Occupied 2 Storey Office Block, Factory & Warehouse	5,982	15,170,783	Revalued on 02/04/2014

LIST OF PROPERTIES HELD BY THE GROUP

cont'd

No.	Beneficial Proprietor	Location	Tenure	Description and Age of Building	Land Area (sq.m.)	Existing Use	Built-up Area (sq.m.)	Carrying Amount 30/04/2015 (RM)	Date of Revaluation
8	Centralised Waste Treatment Plant Sdn Bhd	HS (M) 976, 980, 987, 988 and PT Nos 743, 747, 754, 755, Mukim of Setul, District of Seremban, Negeri Sembilan Darul Khusus.	Leasehold for 99 years expiring 2nd October 2085	Leasehold Land & Buildings 22 years old	6,596	Owner Occupied 2 Storey Office Block, Factory & Warehouse	3,162	4,200,939	Revalued on 02/04/2014
9	Resources Conservation Sdn Bhd	HS (D) 80016 PT No 14329, Mukim Damansara, District of Petaling, Selangor Darul Ehsan.	Freehold	Freehold Land & Buildings 16 years old	4,047	Owner Occupied 2 Storey Office Block, Factory & Warehouse	1,682	6,393,101	Revalued on 02/04/2014
10	Resources Conservation Sdn Bhd	HS (D) 51801 PT No 43449, Mukim and District of Klang, Selangor Darul Ehsan.	Freehold	Freehold Land & Buildings 17 years old	5,415	Owner Occupied 2 Storey Office Block, Factory & Warehouse	3,450	8,723,529	Revalued on 02/04/2014
11	Resources Conservation Sdn Bhd	GM 146 Lot 87, Mukim Damansara, District of Petaling, Selangor Darul Ehsan.	Freehold	Freehold Industrial Land 15 years old	2,317	Owner Occupied Industrial Land	n/a	2,600,000	Revalued on 02/04/2014
12	Striketech Sdn Bhd (Note: 3)	HS (D) 5464 Lot No. 439, Mukim of Jugra, District of Kuala Langat, Selangor Darul Ehsan.	Leasehold for 99 years expiring 24th September 2094	Leasehold Land & Buildings 14 years old	1,035,000	Owner Occupied Buildings for Research & Development & Operations	1,975	20,207,359	Revalued on 02/04/2014
13	Cleanway Disposal Services Pte Ltd	Lot 7889L Mukim 5 Bearing Postal Address 40 Penjuru Road Singapore	Leasehold for 30 years expiring 31st December 2031	Leasehold Building 12 years old	4,004.90	Owner Occupied A Part Single/ Part 3-Storey Single Factory	3,241.80	15,247,358 (exchange rate 2.6937)	Revalued on 23/01/2014

LIST OF PROPERTIES HELD BY THE GROUP

cont'd

No.	Beneficial Proprietor	Location	Tenure	Description and Age of Building	Land Area (sq.m.)	Existing Use	Built-up Area (sq.m.)	Carrying Amount 30/04/2015 (RM)	Date of Revaluation
14	Global Pacific Petroleum Sdn Bhd	PN 652, Lot 3851, Mukim Port Dickson, Port Dickson Negeri Sembilan	Leasehold for 99 years expiring 1st April 2075	Leasehold Land & Building 27 years old	62,220.90	Owner Occupied Plant Tank Farm, Compressor Room, Drum Filling Station, Double Storey Warehouse cum administrative office, Single Storey Detached Factory & Laboratory	17,726.70	10,018,667	Revalued on 02/04/2014
15	Coveright Surfaces Malaysia Sdn Bhd	Lot 750, 3 1/2 Mile, Kapar Road, Mukim Kapar, Klang, Selangor	Freehold	Freehold Industrial Land & Buildings 18 years old	19,450	Owner Occupied 3 Storey Office Block, Factory & Warehouse	9,140	18,840,768	Revalued on 02/04/2014
16	Lux Distributor Sdn Bhd	Lot 16435, Block 5, Jalan 4, Kawasan Perindustrian Selayang, 68100 Batu Caves, Selangor.	Freehold	Freehold Industrial Land & Buildings 18 years old	30,962 sq ft	Owner Occupied 3 Storey Office & Warehouse		6,560,526	Revalued on 02/04/2014
17	Lux Distributor Sdn Bhd	Lot 182924, Mukim of Plentong District of Johor Bahru (A 1 1/2-storey Semi-Detached Factory Bearing Address No. 27, Jalan Sri Plentong 3, Taman Perindustrian Sri Plentong 81750 Masai)	Freehold	1 1/2-storey Semi-Detached Factory 24 years old	21,000 sq ft	Owner Occupied 1 1/2 Storey Office & Warehouse	11,778 sq ft	2,322,264	Revalued on 02/04/2014
18	Toh Ban Seng Contractor Pte Ltd	287 Kaki Bukit Avenue 1, Shun Li Industrial Park, Singapore 416078	Leasehold for 60 years expiring 30th Oct 2056	A 3-Storey Strata Terrace Factory 24 years old	643	Owner Occupied Dormitory, Office & Warehouse	6,921 sq ft	7,003,620 (exchange rate 2.6939)	Revalued on 04/04/2014

Notes:

Notes 1 to 4 being list of properties that affected by the internal rationalisation exercise of the Group announced in May 2004.

Note 1 property transferred from Masmeru Sdn. Bhd. to M-Field Sdn. Bhd.

Note 2 property transferred from Electronic Resource Sdn. Bhd. to M-Field Sdn. Bhd.

Note 3 property transferred from Analabs Biotech Sdn. Bhd. to Striketech Sdn. Bhd.

ANALYSIS OF SHAREHOLDINGS AS AT 21 AUGUST 2015

Class of shares	:	Ordinary shares of RM1.00 each
Voting Rights	:	One vote per share
Authorised Share Capital	:	100,000,000 ordinary shares of RM1.00 each
Issued and Paid-up Capital	:	56,261,300 ordinary shares of RM1.00 each (excludes 3,762,700 ordinary shares bought back and retained as treasury shares as at 21 August 2015)

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100	34	2.43	596	0.00
100 – 1,000	215	15.33	166,190	0.30
1,001 – 10,000	970	69.19	3,438,640	6.11
10,001 – 100,000	153	10.91	4,689,822	8.33
100,001 to less than 5% of issued shares	28	2.00	16,759,500	29.79
5% and above of issued shares	2	0.14	31,206,552	55.47
Total	1,402	100.00	56,261,300	100.00

SUBSTANTIAL SHAREHOLDER'S SHAREHOLDINGS

(According to the Register of Substantial Shareholders as at 21 August 2015)

No.	Name of Substantial Shareholder	Direct		Indirect	
		No. of Shares	% of issued share capital	No. of Shares	% of issued share capital
1.	Kan Yow Kheong	31,544,552	56.07	1,186,500*	2.11

DIRECTORS' SHAREHOLDINGS

(According to the Register of Directors' Shareholdings as at 21 August 2015)

No.	Name of Directors	Direct		Indirect	
		No. of Shares	% of issued share capital	No. of Shares	% of issued share capital
1.	Kan Yow Kheong	31,544,552	56.07	1,186,500*	2.11
2.	Lim Yoke Soo	212,277	0.38	-	-
3.	Lai Yew Choong	-	-	-	-
4.	Low Chin Ann @ Han Chin Ann	-	-	-	-
5.	Lim Chee Beng	-	-	-	-

* Deemed interested by virtue of the shares held by his spouse and child pursuant to Section 134 (12)(c) of the Companies Act, 1965.

In the subsidiaries

By virtue of his substantial interests in the shares of the Company, Mr Kan Yow Kheong is also deemed interested in the shares of all the subsidiaries.

LIST OF 30 LARGEST SHAREHOLDERS AS AT 21 AUGUST 2015

No.	Name of Shareholders	No. of Shares	% of issued share capital [^]
1	KAN YOW KHEONG	21,347,552	37.94
2	KAN YOW KHEONG	10,197,000	18.12
3	JF APEX NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TEO SIEW LAI (MARGIN)</i>	2,726,500	4.85
4	JF APEX NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TEO KWEE HOCK (STA 1)</i>	2,625,500	4.67
5	PUI CHENG WUI	1,957,900	3.48
6	CHUA SIM NEO @ DIANA CHUA	1,827,300	3.25
7	KAN MUN HOOW	1,177,500	2.09
8	CHAN YEW SIANG	609,100	1.08
9	HLB NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHEE SAI MUN</i>	522,400	0.93
10	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TEH KIAN LANG (CEB)</i>	498,500	0.89
11	PUI BOON KENG	439,700	0.78
12	TOHTONKU SDN. BERHAD	378,900	0.67
13	LIM KHUAN ENG	377,000	0.67
14	PUBLIC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHEE SAI MUN (E-KLC)</i>	349,900	0.62
15	KHOO YOK KEE	348,500	0.62
16	LEE YEN ENG	347,000	0.62
17	LIM SIEW SEE	300,000	0.53
18	LAI CHIN LOY	286,100	0.51
19	WONG MENG CHEE	255,000	0.45
20	PUI BOON HEAN	238,700	0.42
21	SOW TIAP	204,000	0.36
22	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR LIM YOKE SOO (M09)</i>	200,000	0.36
23	LYDIA CLAIRE LIM LIH YUEAH	200,000	0.36
24	CHONG TONG KU	189,400	0.34
25	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR JOSEPH LAM WAI</i>	125,000	0.22
26	PUBLIC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TEH KIAN LANG (E-KLC)</i>	123,100	0.22
27	LIM TEAN TEONG	123,000	0.22
28	LEYU CHONG HUA @ LEO CHONG HUA	113,500	0.20
29	LIM BAN JOO	112,000	0.20
30	FOLLOW ME INDUSTRIES SDN. BHD.	104,000	0.18
Total		48,304,052	85.85

[^] Excludes a total of 3,762,700 shares bought back by the Company and retained as treasury shares as at 21 August 2015.

NOTICE OF THE SEVENTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Seventeenth Annual General Meeting (“17th AGM”) of the Company will be held at the Royal Ballroom of the Kelab Golf Sultan Abdul Aziz Shah, No. 1 Rumah Kelab, Jalan Kelab Golf 13/6, 40100 Shah Alam, Selangor Darul Ehsan on Tuesday 27 October 2015 at 11.00 a.m. to transact the following businesses:-

ORDINARY BUSINESS

1. To lay the audited financial statements together with the reports of the Directors and Auditors for the financial year ended 30 April 2015. (Please refer to Explanatory Note)
2. To approve the payment of Directors’ Fees of RM84,000 in respect of the financial year ended 30 April 2015. (Resolution 1)
3. 3.1 **To re-elect the following Directors who retire by rotation in accordance with Article 83 of the Company’s Articles of Association and who being eligible offer themselves for re-election:-**
 - (i) Mr. Kan Yow Kheong (Resolution 2)
 - (ii) Mr. Lim Yoke Soo (Resolution 3)
 - (iii) Mr. Lai Yew Choong (Resolution 4)
 - (iv) Mr. Low Chin Ann @ Han Chin Ann (Resolution 5)
- 3.2 **To re-elect the following Director who retire by rotation in accordance with Article 85 of the Company’s Articles of Association and who being eligible offer himself for re-election:-**
 - (i) Mr. Lim Chee Beng (Resolution 6)
4. To re-appoint Messrs. Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 7)
5. **SPECIAL BUSINESS**

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

5.1 ORDINARY RESOLUTION I AUTHORITY TO ISSUE SHARES

(Resolution 8)

“**THAT** subject always to the Companies Act, 1965 and the approvals of the regulatory authorities, the Directors be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965 to issue shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next annual general meeting of the Company.”

5.2 ORDINARY RESOLUTION II PROPOSED RENEWAL OF AUTHORITY FOR THE PURCHASE BY THE COMPANY OF ITS OWN ORDINARY SHARES

(Resolution 9)

“**THAT** subject to the Company’s compliance with all applicable rules, regulations, orders and guidelines made pursuant to the Companies Act, 1965, the provisions of the Company’s Memorandum and Articles of Association and the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of all relevant authorities, the Company be and is hereby authorized, to the fullest extent permitted by law, to buy-back and/or hold from time to time and at any time such amount of ordinary shares of RM1.00 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company (“Proposed Renewal”) provided that:

NOTICE OF THE SEVENTEENTH ANNUAL GENERAL MEETING

cont'd

- (a) the maximum number of shares which may be purchased and/or held by the Company at any point of time pursuant to the Proposed Renewal shall not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company for the time being quoted on Bursa Securities;
- (b) the maximum amount of funds to be allocated by the Company pursuant to the Proposed Renewal shall not exceed the sum of retained profits and the share premium account of the Company based on its latest audited financial statements or latest unaudited results (where applicable) available up to the date of a transaction pursuant to the Proposed Renewal;

THAT the shares purchased by the Company pursuant to the Proposed Renewal may be dealt with in all or any of the following manner (as selected by the Company):

- (i) the shares so purchased may be cancelled; and/or
- (ii) the shares so purchased may be retained as treasury shares in accordance with the relevant rules of Bursa Securities for distribution as dividend to the shareholders and/or resold through Bursa Securities and/or subsequently cancelled; and/or
- (iii) part of the shares so purchased may be retained as treasury shares with the remainder being cancelled;

THAT such authority shall commence upon the passing of this resolution, until the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required by law to be held unless revoked or varied by ordinary resolution of the shareholders of the Company in general meeting but so as not to prejudice the completion of a purchase made before such expiry date;

AND THAT the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or to give effect the Proposed Renewal with full powers to amend and/or assent to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities from time to time and with full power to do all such acts and things thereafter in accordance with the Companies Act, 1965, the provisions of the Company's Memorandum and Articles of Association and the Listing Requirements of the Bursa Securities and all other relevant governmental/regulatory authorities."

- 6. To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD

CYNTHIA GLORIA LOUIS (MAICSA 7008306)
CHEW MEI LING (MAICSA 7019175)
Secretaries

Petaling Jaya
Selangor Darul Ehsan
30 September 2015

NOTICE OF THE SEVENTEENTH ANNUAL GENERAL MEETING

cont'd

Notes:

- (1) *In respect of deposited securities, only Members whose names appear in the Record of Depositors on 21 October 2015 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at the 17th AGM.*
- (2) *A member entitled to attend and to vote at a meeting of the Company is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.*
- (3) *A member who is an authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991, is allowed to appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
- (4) *Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.*
- (5) *Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account known as an omnibus account, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds. The appointment of two (2) or more proxies in respect of any particular omnibus account shall be invalid unless the Exempt Authorised Nominee specifies the proportion of its shareholding to be represented by each proxy.*
- (6) *The Form of Proxy, in the case of an individual, shall be signed by the appointor or his attorney duly authorized in writing or, in case of corporation, shall be given either under its common seal or under the hand of an officer or attorney duly authorized.*
- (7) *The instrument appointing a proxy or proxies must be deposited at the Registered Office of the Company at Unit 621, 6th Floor, Block A, Kelana Centre Point, No 3 Jalan SS7/19, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time for holding the meeting or any adjournment thereof.*

Explanatory Notes:-

1. **Directors' Report, Audited Financial Statement and the Auditors' Report for the financial year ended 30 April 2015**

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

2. **Authority to allot shares under Section 132D (Resolution 8)**

The Directors did not issue any new shares pursuant to the existing mandate which will lapse at the conclusion of the 17th AGM.

The proposed resolution if passed, will give a renewed mandate to the Directors of the Company, from the date of the forthcoming 17th AGM, to allot and issue ordinary shares up to an aggregate amount of not exceeding 10% of the issued share capital of the Company for the time being from the unissued capital of the Company pursuant to Section 132D of the Companies Act, 1965 and that such an authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting.

The mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to placement of shares, funding for future investment project(s) and/or acquisitions of assets and/or working capital.

3. **Proposed Renewal of Authority for the Purchase by the Company of its Own Ordinary Shares (Resolution 9)**

The proposed resolution if passed, will empower the Company to purchase up to ten per centum (10%) of the issued and paid-up ordinary share capital of the Company through Bursa Securities. For further information, please refer to the Circular to Shareholders dated 30 September 2015.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

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

The Profile of the Directors who are standing for re-election at the Seventeenth Annual General Meeting of Analabs Resources Berhad (“Analabs”) which will be held at the Royal Ballroom of the Kelab Golf Sultan Abdul Aziz Shah, No. 1 Rumah Kelab, Jalan Kelab Golf 13/6, 40100 Shah Alam, Selangor Darul Ehsan on Tuesday, 27 October 2015 at 11.00 a.m. are stated on pages 5 to 6 of the 2015 Annual Report.

The details of interest in the securities of Analabs and its subsidiaries held by the said Directors are stated on page 110 of the 2015 Annual Report.



CDS ACCOUNT NO.	
NO. OF SHARES HELD	

FORM OF PROXY

I/We _____

NRIC No. (New) _____ (Old) _____ /Company No. _____

of _____

being a member / members of **ANALABS RESOURCES BERHAD (468971-A)** hereby appoint the following person(s):-

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)
*And/or failing him/her (delete as appropriate)			

or failing him/her/them, THE CHAIRMAN OF THE MEETING, as my/our proxy/proxies, to vote for me/us on my/our behalf at the Seventeenth Annual General Meeting ("17th AGM") of the Company to be held at the Royal Ballroom of the Kelab Golf Sultan Abdul Aziz Shah, No. 1 Rumah Kelab, Jalan Kelab Golf 13/6, 40100 Shah Alam, Selangor Darul Ehsan on Tuesday, 27 October 2015 at 11.00 a.m. and at any adjournment thereof in the manner as indicated below in respect of the following Resolutions:-

RESOLUTIONS		FOR	AGAINST
Resolution 1	Approval of Directors' fees.		
Resolution 2	Re-election of Mr. Kan Yow Kheong as a Director.		
Resolution 3	Re-election of Mr. Lim Yoke Soo as a Director.		
Resolution 4	Re-election of Mr. Lai Yew Choong as a Director.		
Resolution 5	Re-election of Mr. Low Chin Ann @ Han Chin Ann as a Director.		
Resolution 6	Re-election of Mr. Lim Chee Beng as a Director.		
Resolution 7	Re-appointment of Messrs Crowe Horwath as Auditors.		
Resolution 8	Authority to allot and issue shares pursuant to Section 132D of the Companies Act 1965.		
Resolution 9	Proposed Renewal of Share Buy-Back.		

Please indicate with an "X" in the appropriate space how you wish your votes to be cast. If you do not indicate how you wish your proxy to vote on any Resolution, the proxy will vote or abstain from voting at his/her/their discretion.

Date: _____

Signature of Shareholder(s)

Notes:

- (1) In respect of deposited securities, only Members whose names appear in the Record of Depositors on 21 October, 2015 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at the 17th AGM.
- (2) A member entitled to attend and to vote at a meeting of the Company is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- (3) A member who is an authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991, is allowed to appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account
- (4) Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- (5) Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account known as an omnibus account, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds. The appointment of two (2) or more proxies in respect of any particular omnibus account shall be invalid unless the Exempt Authorised Nominee specifies the proportion of its shareholding to be represented by each proxy.
- (6) The Form of Proxy, in the case of an individual, shall be signed by the appointor or his attorney duly authorized in writing or, in case of corporation, shall be given either under its common seal or under the hand of an officer or attorney duly authorized.
- (7) The instrument appointing a proxy or proxies must be deposited at the Registered Office of the Company at Unit 621, 6th Floor, Block A, Kelana Centre Point, No 3 Jalan SS7/19, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time for holding the meeting or any adjournment thereof.

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AFFIX
STAMP

The Secretary

ANALABS RESOURCES BERHAD (468971-A)
UNIT 621, 6TH FLOOR, BLOCK A
KELANA CENTRE POINT
NO. 3, JALAN SS7/19
KELANA JAYA
47301 PETALING JAYA
SELANGOR DARUL EHSAN

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**ANALABS
RESOURCES
BERHAD**

(468971-A)

ANALABS RESOURCES BERHAD (468971-A)

Unit 621, 6th Floor, Block A
Kelana Centre Point, No. 3, Jalan SS7/19
Kelana Jaya, 47301 Petaling Jaya
Selangor Darul Ehsan

T +603. 7880 9699

F +603. 7880 8699

E enquiry@analabs.com.my

www.analabs.com.my