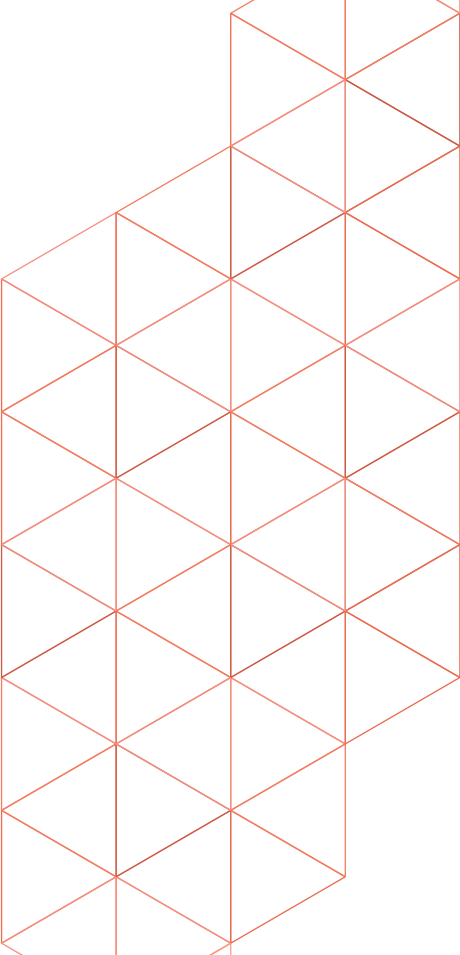




BREM HOLDING BERHAD (66756-P)
Incorporated In Malaysia



Strengthening
Our Future
Annual Report 2015





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Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Thirty-Fourth Annual General Meeting of Brem Holding Berhad (“Brem” or “the Company”) will be held at Crown Hall, 1st Floor, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan on Monday, 28 September 2015, at 10.30 a.m. for the transaction of the following businesses:-

1. To receive the Audited Financial Statements for the year ended 31 March 2015 together with the Reports of the Directors and the Auditors thereon. (Refer Note 6(a))
2. To declare a final single tier dividend of 3% in respect of the year ended 31 March 2015. (Resolution 1)
3. To approve the payment of Directors’ fees of RM105,000/- (2014: RM70,000/-) in respect of the year ended 31 March 2015. (Resolution 2)
4. To re-elect the following Directors who retire pursuant to the Company’s Articles of Association and being eligible, offer themselves for re-election:-
 - (a) Mr. Khoo Chai Thiam (Article 80) (Resolution 3)
 - (b) Mr. Low Yew Hwa (Article 80) (Resolution 4)
5. To consider and, if thought fit, pass the following resolution pursuant to Section 129 of the Companies Act, 1965:-

“That Dato’ Hj. Abu Sujak bin Hj. Mahmud, retiring pursuant to Section 129 of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next Annual General Meeting.”

(Resolution 5)
6. To re-appoint Messrs. Baker Tilly Monteiro Heng as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 6)
7. As Special Business:-

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

 - (a) **Ordinary Resolution 1** (Resolution 7)
Authority To Allot Shares Pursuant To Section 132D Of The Companies Act, 1965

“THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company from time to time 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 to be issued does not exceed ten percent (10%) of the issued share capital of the Company for the time being, subject always to the approvals of all the relevant regulatory bodies obtained for such allotment and issue and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.”
 - (b) **Ordinary Resolution 2** (Resolution 8)
Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

“THAT approval be and is hereby given to the Company and/or its subsidiary companies to renew the mandate from the shareholders of the Company for the Company and/or its subsidiary companies to enter into and give effect to Recurrent Related Party Transactions of a revenue or trading nature with specified class of the Related Parties as stated in Part A - Section 2.4(a) of the Circular to Shareholders dated 28 August 2015 (“Circular”) subject to the following:-

 - i) the transactions are necessary for the Group’s day-to-day operations and they are carried out in the ordinary course of business made on an arm’s length basis and on normal commercial terms; and
 - ii) are on terms that are not more favourable to the Related Parties than those generally available to the public and not detrimental to minority shareholders of the Company;

Notice of Annual General Meeting (Cont'd)

AND THAT the authority conferred by this resolution shall continue to be in force until:-

- a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the AGM, the authority is renewed; or
- b) the expiration of the period within which the next AGM of the Company after the date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier, and disclosure will be made in the annual report of the aggregate value on the transactions conducted during the financial year pursuant to the shareholders' mandate;

AND FURTHER THAT the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to this resolution."

**(c) Ordinary Resolution 3
Proposed Renewal of Authority for Share Buy-Back**

(Resolution 9)

"THAT subject to the Companies Act, 1965 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares of RM0.50 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 interest of the Company PROVIDED THAT:-

- a) the aggregate number of ordinary shares of RM0.50 each in the Company which may be purchased and/or held by the Company shall not exceed ten per cent (10%) of the issued and paid-up share capital of the Company as quoted on Bursa Securities as at the point of purchase, subject to a restriction that the issued and paid-up share capital of the Company does not fall below the applicable minimum share capital requirements of the Listing Requirements of Bursa Securities;
- b) the maximum funds to be allocated by the Company for the purpose of purchasing the shares shall not exceed the Company's latest audited retained profits and/or share premium account;
- c) the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:-
 - i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which this resolution was passed, at which time it shall lapse, unless by an ordinary resolution passed at the AGM, the authority is renewed, either unconditionally or subject to conditions; or
 - ii) the expiration of the period within which the next AGM of the Company after the date is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
 - iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first;

Notice of Annual General Meeting (Cont'd)

AND THAT the Directors of the Company be and are hereby authorised to cancel all the shares or any part thereof so purchased or to retain all the shares so purchased as treasury shares (of which may be distributed as dividends to shareholders and/or resold on Bursa Securities and/or subsequently cancelled), or to retain part of the shares so purchased as treasury shares and cancel the remainder, and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act, the Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to effect the aforesaid share buy-back with full powers to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company."

**(d) Ordinary Resolution 4
Continuing In Office As Independent Non-Executive Director**

(Resolution 10)

"THAT authority be and is hereby given to Mr. Wong Miow Song who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."

8. To transact any other business for which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN that, subject to the approval of the shareholders at the Thirty-Fourth Annual General Meeting, the final single tier dividend of 3% in respect of the year ended 31 March 2015 will be payable on 18 November 2015 to depositors registered in the Record of Depositors on 3 November 2015.

A depositor shall qualify for entitlement to the final dividend only in respect of:-

- (a) Shares transferred to the depositor's securities account before 4.00 p.m. on 3 November 2015 in respect of transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board,

ANDREA HUONG JIA MEI (MIA 36347)
Company Secretary

Kuala Lumpur
28 August 2015

Notes:

1. A member of the Company entitled to attend and vote at this meeting is entitled to appoint up to two proxies to attend, speak and vote instead of him/her. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy. There shall be no restriction as to the qualification of the proxy.
2. Where a member is an Exempt Authorised Nominee ("EAN") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds.
3. In the case of a corporate body, the proxy appointed must be in accordance with the Memorandum and Articles of Association, and the instrument appointing a proxy shall be given under the company's Common Seal or under the hand of the officer or attorney duly authorised.

Notice of Annual General Meeting (Cont'd)

4. The Form of Proxy must be deposited at the Company's Registered Office at 3rd Floor, BREM House, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor not less than 48 hours before the time set for the meeting or any adjournment thereof.
5. In respect of deposited securities, only members whose names appear on the Record of Depositors on 21 September 2015 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and vote on his behalf.
6. **Explanatory Notes on Ordinary and Special Business:-**

(a) Audited Financial Statements for financial year ended 31 March 2015

The audited financial statements are for discussion only under Agenda 1, as it does not require shareholders' approval under the provisions of Section 169(1) and (3) of the Companies Act, 1965. Hence, it will not be put for voting.

(b) Resolution pursuant to Section 132D of the Companies Act, 1965

Resolution No. 7 proposed under item 7(a) is to seek a renewal of the general mandate for the issue of new ordinary shares pursuant to Section 132D of the Companies Act, 1965.

As at the date of this notice, no new shares in the Company were issued pursuant to the general mandate granted to the Directors at the last AGM held on 30 September 2014.

The proposed Resolution No. 7, if passed, will empower the Directors of the Company to issue and allot new shares in the Company at any time and for such purposes as the Directors considered would be in the interests of the Company up to an aggregate not exceeding 10% of the issued share capital of the Company without convening a general meeting. This authority unless revoked or varied at a general meeting will expire at the next AGM.

The renewed mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding investment project(s), working capital and/or acquisition.

(c) Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue and Trading Nature

Resolution No. 8 proposed under item 7(b), if passed, will authorise the Company and/or its subsidiaries to enter into recurrent related party transactions with related parties in the ordinary course of business which are necessary for the Group's day-to-day operations and are on terms not more favourable to the related parties than those generally available to the public and shall lapse at the conclusion of the next AGM unless authority for its renewal is obtained from the shareholders of the Company at a General Meeting. For further information, please refer to Part A of the Circular to Shareholders dated 28 August 2015, which is circulated together with this Annual Report.

(d) Resolution No. 9 pursuant to Proposed Share Buy-Back

Resolution No. 9 proposed under item 7(c), if passed, will empower the Company to purchase and/or hold up to 10% of the issued and paid-up share capital of the Company. This authority will, unless revoked or varied by the Company in General Meeting, expire at the next AGM. For further information, please refer to Part B of the Circular to Shareholders dated 28 August 2015, which is circulated together with this Annual Report.

(e) Resolution No. 10

In line with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012, the Nomination Committee has assessed the independence of Mr. Wong Miow Song, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, and upon its recommendation, the Board of Directors has recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:-

- (i) Mr. Wong Miow Song has fulfilled the criteria under the definition of Independent Director as stated in the Listing Requirements of Bursa Securities, and hence, he would be able to provide an element of objectivity, independent judgment and balance to the Board.
- (ii) His vast experience in the building construction and housing development industry would enable him to provide the Board with relevant expertise, knowledge and independent judgment to properly evaluate corporate performance and contribute to the effective decision making of the Board. Being the Chairman of the Audit Committee, he has demonstrated that he has the qualities and competencies to enable him to ensure the effectiveness of the Audit Committee in providing independent, objective and effective oversight to the Board.
- (iii) Mr. Wong Miow Song, having been with the Company for more than nine years, is familiar with the Group's business operations and has devoted sufficient time and attention to his professional obligations for informed and balance decision making.
- (iv) He has exercised due care during his tenure as Independent Non-Executive Directors of the Company and has carried out his professional duties in the interest of the Company and shareholders.

Resolution No. 10 proposed under item 7(d), if passed, will authorise Mr. Wong Miow Song to continue in office as an Independent Non-Executive Director of the Company.

Corporate Information

DIRECTORS

Dato' Hj. Abu Sujak Bin Hj. Mahmud
(Independent Non-Executive Chairman)

Khoo Chai Kaa
(Managing Director)

Khoo Chai Thiam
(Executive Director)

Low Yew Hwa
(Non-Independent Non-Executive Director)

Wong Miow Song
(Independent Non-Executive Director)

Khoo Hui Keam
(Non-Independent Non-Executive Director)

Khoo Hui Giok
(Non-Independent Non-Executive Director)

COMMITTEES

AUDIT

Wong Miow Song (Chairman)
Dato' Hj. Abu Sujak Bin Hj. Mahmud
Khoo Hui Giok

NOMINATION

Wong Miow Song (Chairman)
Dato' Hj. Abu Sujak Bin Hj. Mahmud
Khoo Hui Giok

REMUNERATION

Dato' Hj. Abu Sujak Bin Hj. Mahmud (Chairman)
Khoo Chai Kaa
Wong Miow Song

AUDITORS

Baker Tilly Monteiro Heng
Chartered Accountants

PRINCIPAL BANKERS

Malayan Banking Berhad
Alliance Bank Malaysia Berhad

REGISTRARS

Insurban Corporate Services Sdn. Bhd.,
149-B, Jalan Aminuddin Baki,
Taman Tun Dr. Ismail,
60000 Kuala Lumpur.
Tel : (03) 7729 5529
Fax : (03) 7728 5948

COMPANY SECRETARY

Andrea Huong Jia Mei (MIA 36347)

SOLICITORS

Kamarudin & Partners
HK Ang & Partners

REGISTERED OFFICE

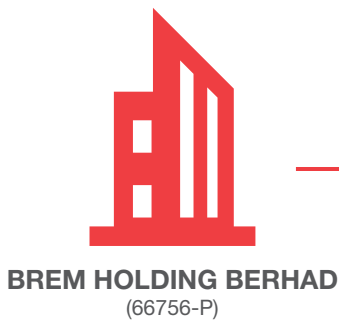
3rd Floor, Brem House,
Crystal Crown Hotel,
No. 12, Lorong Utara A,
Off Jalan Utara,
46200 Petaling Jaya,
Selangor Darul Ehsan.
Tel : (03) 7958 7888
Fax : (03) 7958 1533
Website : www.bremholding.com

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market

Corporate Structure

As at 31st March 2015



 *Subsidiary*
 *Associated*

Particulars of Each Director of Brem Holding Berhad

DATO' HJ. ABU SUJAK BIN HJ. MAHMUD, DSSA, KMN, PPT, PJK (Independent Non-Executive Director)

Dato' Hj. Abu Sujak Bin Hj. Mahmud, aged 75, Malaysian, was appointed to the Board of the Company on 4 January 2006 as Independent Non-Executive Director. He began his career as an audit clerk in Jabatan Pembangunan Koperasi Malaysia in 1958. He then joined the Maktab Perguruan Bahasa in 1960 and then taught for a period of five (5) years before pursuing his degree in the University of Malaya. He obtained Bachelor of Arts in Malay Studies in 1970. In 1971, he joined Dewan Bandaraya Kuala Lumpur and subsequently was appointed as Secretary of Majlis Perbandaran Klang and Majlis Perbandaran Shah Alam. In 1986, he was chosen to stand for election, which marked his career as a politician. He served as a member of the Selangor State Legislative Council for three (3) terms and was also a member of the Selangor State Executive Council from 1986 to 1995. He was also appointed as Timbalan Menteri Besar Selangor Darul Ehsan in 1990 until 1995. In the year 2000, he was appointed as the Datuk Bandar Majlis Bandaraya Shah Alam and was in office until 2002. He was elected Chairman of the Board of Directors on the 28 July 2010. He is also the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of Brem Holding Berhad. He also sits on the Board of Resintech Berhad as an Independent Non-Executive Chairman.

KHOO CHAI KAA (Managing Director)

Khoo Chai Kaa, aged 64, Malaysian, is the Managing Director of the Company and a founder member of the Brem Holding Group. He has been a Director of the Company since its incorporation on 21 January 1981. Mr. Khoo holds a Bachelor of Science degree in Civil Engineering and Building from the United Kingdom. He has over 37 years of experience in the construction and property development sectors as well as vast experience in hotel industry. He has also attained a wide experience in heavy machinery know-how. He also sits on the Board of some of the subsidiary companies of Brem Holding Berhad and several other private limited companies. He is a member of the Remuneration Committee of Brem Holding Berhad.

KHOO CHAI THIAM (Executive Director)

Khoo Chai Thiam, aged 53, Malaysian, was appointed to the Board of the Company on 12 October 1982 and has over 33 years of experience in the construction sector. He is also the Project Manager of Brem Maju Sdn. Bhd. being responsible for project coordination and is in charge of the overall work progress and staffing. He also sits on the Board of some of the subsidiary companies of Brem Holding Berhad and several other private limited companies.

LOW YEW HWA (Non-Independent Non-Executive Director)

Low Yew Hwa, aged 59, Malaysian, has been with the Company since year 1989. He was appointed to the Board of the Company on 24 August 1992. Mr. Low is a qualified Chartered Accountant of the Malaysian Institute of Accountants and a Fellow Member of the Chartered Association of Certified Accountants, United Kingdom. He sits on the Board of some of the subsidiary companies of Brem Holding Berhad and several other private limited companies.

Particulars of Each Director of Brem Holding Berhad (Cont'd)

KHOO HUI KEAM

(Non-Independent Non-Executive Director)

Khoo Hui Keam, aged 39, Malaysian, was appointed to the Board of the Company on 26 November 2007 as a Non-Independent Non-Executive Director. She holds a Bachelor of Business degree majoring in banking from Nanyang Technological University Singapore. She has been in the banking industry for years before joining the Group as an Operating Manager of the subsidiary.

KHOO HUI GIOK

(Non-Independent Non-Executive Director)

Khoo Hui Giok, aged 37, Malaysian, was appointed to the Board of the Company on 26 May 2008 as a Non-Independent Non-Executive Director. She holds a Bachelor of Business Accounting, Charles Sturt University. She is a certified practicing accountant of CPA Australia and a member of the Malaysian Institute of Accountants. She has over 13 years of experience in financial management. Currently she is a financial controller of a chain of hotels in Malaysia. She is also a member of the Audit Committee and Nomination Committee of Brem Holding Berhad.

WONG MIOW SONG

(Independent Non-Executive Director)

Wong Miow Song, aged 64, Malaysian, was appointed to the Board of the Company on 24 May 2001 as an Independent Non-Executive Director. He was also elected as Chairman of the Audit Committee of the Company with effect from 24 May 2001. He holds a Bachelor of Engineering (Honours) degree in Civil Engineering from University of Malaya. He has over 33 years of experience in building construction and housing development. Currently he is a director of a private construction company involved in the construction of houses, shop houses and apartments in Klang Valley area. He is a member of The Institution of Engineers, Malaysia and a professional engineer registered with the Board of Engineers, Malaysia. He is the Chairman of the Audit Committee and Nomination Committee and also a member of the Remuneration Committee of Brem Holding Berhad.

Additional Information

Other directorship of public companies

Save for the following directors, none of the directors of the Company has any directorship in other public companies:

- (i) Dato' Hj. Abu Sujak Bin Hj. Mahmud sits on the Board of Resintech Berhad,
- (ii) Mr. Low Yew Hwa sits on the Board of Bertam Alliance Berhad. (resigned on 30 April 2015)

Family relationship of directors and/or Major Shareholders

There is no family relationship among the directors and/or major shareholders except that:-

- (a) Mr. Khoo Chai Kaa and Ms. Khoo Hui Keam and Ms. Khoo Hui Giok are father and daughters;
- (b) Ms. Khoo Hui Keam and Ms. Khoo Hui Giok are sisters; and,
- (c) Mr. Khoo Chai Kaa and Mr. Khoo Chai Thiam are brothers.

Conflict of interest with the company

Other than the recurrent transactions of revenue or trading nature which are necessary for the company day-to-day operations, none of the directors has conflict of interest with the company.

List of convictions for offences

None of the directors has been convicted of any offences within the past 10 years other than traffic offences.

Material Contract involving Directors and Major Shareholders

There is no material contract (not being contract entered into in the ordinary course of business) of the Company and its subsidiaries, involving directors' and major shareholders' interests, still subsisting at the end of the financial year.

Revaluation Policy

The Group does not adopt a policy on regular revaluation of its landed properties.

Non-Audit Fees

No non-audit fees were paid to external auditors for the financial year.

Recurrent Related Party Transaction of a Revenue or Trading Nature

On 30 September 2014, the Company obtained approval from the shareholders of the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature ("recurrent transactions") with persons who are considered to be "Related Party" as defined in Chapter 10 of the Listing Requirements.

The breakdown of the aggregate value paid/payable of the recurrent transactions made during the financial year are set out below:

Nature /Type of Transactions	Supplier	Customer	Interested Director/ Major Shareholder or Person Connected	RM
Construction Contracts	Perniagaan Sinn Huat	Brem Holding Berhad	Lee Lei Choo Lee Kok Ting	108,310
Construction Contracts	Idio Construction Works	Brem Holding Berhad	Khoo Chai Kaa Khoo Chai Thiam Koo Chai Bok	1,374,349

Additional Information (Cont'd)

Recurrent Related Party Transaction of a Revenue or Trading Nature (Continued)

Relationship of Related Parties with Brem Holding Berhad ("Brem") as at the financial year ended 31 March 2015:

Names of Related Party	Relationship
Idio Construction Works	No relationship except for the managing partner of this company is related to two directors and a major shareholder of Brem
Perniagaan Sinn Huat	No relationship except for the sole-proprietor of this company is related to a major shareholder of Brem

Share Buy-backs

There were no cancellations or re-sale of treasury shares during the financial year ended 31 March 2015.

From 1 April 2014 to 31 July 2015, the Company had purchased a total of 2,911,500 of its own shares and the details of purchases made showing the monthly breakdown are as follows:

Month of Purchase	No. of BREM Shares Purchased	Purchase Price Per Share (RM)		Average Price Per BREM Share	Total Consideration paid
		Lowest (RM)	Highest (RM)		
April 2014	-	-	-	-	-
May 2014	-	-	-	-	-
June 2014	-	-	-	-	-
July 2014	-	-	-	-	-
August 2014	-	-	-	-	-
September 2014	103,000	2.38	2.45	2.40	247,209.30
October 2014	1,179,000	2.22	2.45	2.34	2,760,626.82
November 2014	-	-	-	-	-
December 2014	1,570,700	0.95	1.11	1.05	1,651,217.01
January 2015	28,800	1.00	1.03	1.01	29,175.41
February 2015	-	-	-	-	-
March 2015	-	-	-	-	-
April 2015	-	-	-	-	-
May 2015	20,000	1.01	1.01	1.01	20,259.54
June 2015	10,000	1.01	1.01	1.01	10,130.27
July 2015	-	-	-	-	-

Statement on Risk Management and Internal Control

This Statement of Risk Management and Internal Control is made in pursuant to Paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) with regard to the disclosure of the Group’s state of risk management and internal control. In making this Statement, the Board is guided by the latest “Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers” issued by the Task Force on Internal Control with the support and endorsement of the Bursa Securities. .

BOARD AND MANAGEMENT RESPONSIBILITIES IN RISK MANAGEMENT AND INTERNAL CONTROL

The Board understands the principal risks of the business that the Group involves and accepts the incurrence and balancing of risk and return in order to reward the shareholders. Functionally, risk management are the responsibility of all executive directors and management team members. The Executive Directors and senior management regularly organise informal meetings and discussions to identify and manage the business risk of the Group and ensure that businesses are under control and corporate targets and objectives are achieved.

In considering the effectiveness of the risk management and systems of internal control, the Board uses the following processes and information to derive its comfort:

- Periodic review of financial information covering financial performance and quarterly financial results;
- Operational information and updates provided by management during the board meetings;
- Audit Committee’s review and consultation with management on the integrity of the financial results, annual report and audited financial statements;
- Audit findings and reports on the review of systems of internal control from the Internal Auditors;
- Management assurance that the Group’s risk management and internal control systems have been operating adequately and effectively, in all material respects; and
- Director representations on the boards of the companies in which the Group has investment.

At management level, the key systems of internal control and its review mechanisms are as follows:

- i. Defined job description, authority and responsibility for each functional division and process and procedure for core business activities;
- ii. Limit of authority and approval facilitating delegation of authority
- iii. Management information systems generating financial data and information for reporting, review and monitoring purposes; and
- iv. Project planning, monitoring and reporting systems ensuring timely completion of projects and achievement of business targets. Post mortem review is carried out on completed project to identify areas of improvement.

Statement on Risk Management and Internal Control (Cont'd)

MANAGEMENT ACCOUNTABILITY AND ASSURANCE

Management is accountable to the Board for identifying risks relevant to the business, implementing and maintaining sound systems of risk management and internal control and monitoring and reporting to the Board of significant control deficiencies and risks that could significantly affect the Group's performance.

In making this Statement, Managing Director and Executive Director have represented to the Board that, to the best of their knowledge the Group's risk management and internal control systems are operating adequately and effectively, in all material aspects.

BOARD ASSURANCE AND LIMITATION


For the financial year under review, the Board is satisfied that the existing level of systems of risk management and internal control are effective to enable the Group to achieve its business objectives and there were no material losses resulted from significant control weaknesses that would require separate disclosure in the Annual Report.

The Board recognises that the systems of risk management and internal control should be continuously improved in line with the evolving business development. Nonetheless, it should be noted that all risk management systems and systems of internal control could only manage rather than eliminate risks of failure to achieve business objectives. Therefore, these systems of risk management and internal control of the Group can only provide reasonable but not absolute assurance against material misstatements, frauds and losses.



Chairman's Statement

“ On behalf of the Board of Directors of Brem Holding Berhad (“Brem” or “the Group”), it is my great pleasure to present to you the Annual Report and Audited Financial Statements of the Company and of the Group for the financial year ended 31 March 2015. ”



Financial Performance

For the financial year under review, the Group has registered a lower revenue of RM104.93 million as compared to RM144.10 million recorded in the previous financial year due to lesser projects undertaken during the year. The profit before taxation for the Group increased from RM62.72 million in 2014 to RM77.06 million in 2015. This was mainly attributed to gain on the disposal of an associated company amounting to RM17.2 million.

Review of Operation

During the financial year, the property development division of the Group recorded a lower revenue with the completion of one of the projects in Segambut, Kuala Lumpur. Despite the lower revenue for the current financial year, the division recorded a higher profit before taxation as compared to the preceding year. This was attributed to the contribution from the Pelangi Heights Phase 2 project in Klang, Selangor.

The construction division has recorded higher revenue for the financial year as compared to the preceding year with contributions from various contracts in hand. However, the profit before taxation is lower compared to the preceding year due to lower contribution from on-going contracts.

The property investment and investment holding division registered a slight increase in revenue for the year under review as compared to the preceding year. This was attributed to the increase of rental income from our Kepong Brem Mall.

The revenue for the year from the water supply and services division was maintained at RM28 million. However, the profit before taxation has decreased compared to the preceding year. This was due to increase in operating cost and reduced interest income.

Corporate Exercise

The Company had announced on 4 August 2014 that it would undertake a share split involving the subdivision of every one (1) existing ordinary shares of RM1.00 each in the Company into two (2) new ordinary shares of RM0.50 each held by shareholders of the Company. The corporate exercise was completed on 28 November 2014.

Dividend

An interim single tier dividend of 3% has been declared in respect of the financial year ended 31 March 2015 and paid on 18 March 2015.

The Board of Directors is pleased to propose and recommend a final single-tier dividend of 3% in respect of the year ended 31 March 2015 for shareholders' approval at the forthcoming 34th Annual General Meeting of the Company to be convened.

Chairman's Statement (Cont'd)

Industry Trends and Development

The Gross Domestic Product (GDP) of Malaysia expanded 5.60% in the first quarter of 2015 over the same quarter of the previous year. GDP from Construction in Malaysia increased 4.5% in the first quarter of 2015 compared to the fourth quarter of 2014. However, the global economic outlook is not positive. At present, the most severe challenge for Malaysia is managing the downside risk arising from the rapid declining global crude oil prices. Slowing of export growth and weakening Ringgit represented added challenges to Malaysia's economy. The Group has been closely monitoring the situation to ensure sustainability of our businesses and minimize the adverse impact from the challenges during this period.

Prospects

The current market condition has presented an opportunity for the property development division to acquire more potential land banks for future development. The division is expected to contribute positively to the earnings of the Group in tandem with the launching of a new development scheme in Segambut. The Board opined that demand would still be intact for properties located at strategic and prime locations.

The construction division will continue to grow the order book by bidding more contracts and continue to provide support to the property development division of the Group. The Directors are of the view that, with our expertise, strong track records on delivering its jobs within stipulated timelines as well as prudent business strategy, our construction and property development divisions will sustain at a comfortable level for the coming year.

It is expected that there will be stable and consistent revenue and profit derived from water supply and services division. The contribution of rental receivable from property investment and investment holding division remains encouraging.

Corporate Social Responsibilities

During the year, the Group has continuously made various charitable contributions including participation in the flood relief campaign in December 2014 by donation in cash and in kind to the flood victims of the East Coast of Peninsular Malaysia, contributing to hospitals for their operations and services rendered to the sick and needy of all communities and to a school building foundation to build a school building. The Group has also sponsored various other charitable and social organization events for the financial year under review.

Appreciation

On behalf of the Board of Directors, I would like to express our sincere appreciation and gratitude to our shareholders, business associates, purchasers, contractors, consultants, suppliers, financial institutions and regulatory authorities for their continued support, confident in us and assistance extended to the Group.

Our sincere appreciation also goes to our management team and employees for their invaluable dedication and commitment to the Group.

DATO' HJ. ABU SUJAK BIN HJ. MAHMUD
Chairman

Group Financial Highlights

Statements of Comprehensive Income (Financial Year Ended 31 March)	2015 RM '000	2014 RM '000	2013 RM '000	2012 RM '000	2011 RM '000 (Restated)
Revenue	104,926	144,101	134,605	146,901	106,429
Profit Before Taxation	77,055	62,717	47,979	55,452	61,676
Taxation	(15,419)	(16,053)	(14,331)	(11,381)	(9,718)
Profit After Taxation	61,636	46,664	33,648	44,071	51,958
Non-Controlling Interests	(19,789)	(10,846)	(11,241)	(10,488)	(8,657)
Profit Attributable To Shareholders	41,847	35,818	22,407	33,583	43,301

Statements of Financial Position (As At 31 March)	2015 RM '000	2014 RM '000	2013 RM '000	2012 RM '000	2011 RM '000 (Restated)
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ASSETS

Non-Current Assets	546,205	544,612	581,092	578,476	421,780
Current Assets	273,909	217,719	191,004	213,151	212,665
Total Assets	820,114	762,331	772,096	791,627	634,445

EQUITIES AND LIABILITIES

Equity Attributable to Shareholders of the Company

Share Capital	172,736	172,736	172,736	172,736	139,616
Reserves	348,759	306,730	294,480	289,486	283,804
Treasury Shares	(10,150)	(5,461)	(4,460)	(2,648)	(8,040)

Total Equity Attributable to Shareholders of the Company

Non-Controlling Interests	162,014	129,830	142,767	133,714	108,465
Total Equity	673,359	603,835	605,523	593,288	523,845

Liabilities

Non-Current Liabilities	94,317	98,222	125,186	87,068	46,764
Current Liabilities	52,438	60,274	41,387	111,271	63,836

Total Liabilities	146,755	158,496	166,573	198,339	110,600
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Total Equity And Liabilities	820,114	762,331	772,096	791,627	634,445
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Net Assets Per Share (RM)	1.54	2.82	2.74	2.69	3.12
Earnings Per Share (Sen)	12.48*	10.64**	13.21*	20.26**	20.58*
Gross Dividend Per Share (%)	6.00	6.00	6.00	6.00	10.00
Gearing Ratio (Times)	0.20	0.24	0.26	0.23	0.16

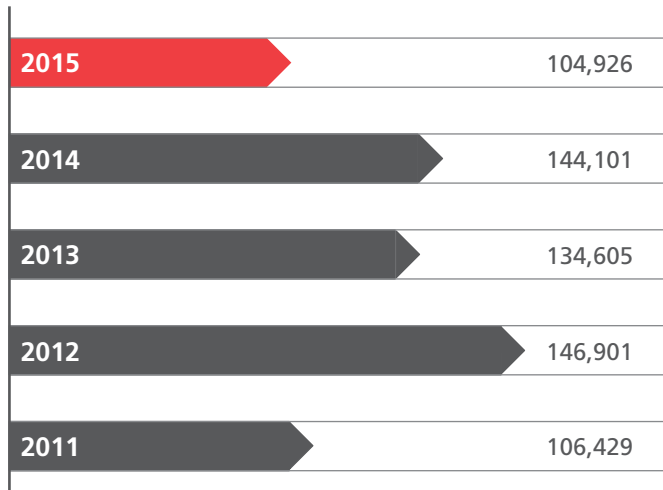
* Based on the weighted average number of ordinary shares.

Adjusted for bonus issue in 2011.

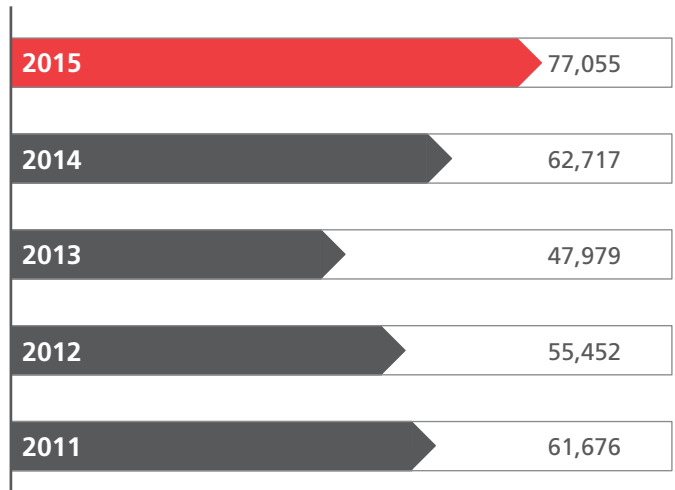
^ Adjusted for share split in 2014.

Group Financial Highlights (Cont'd)

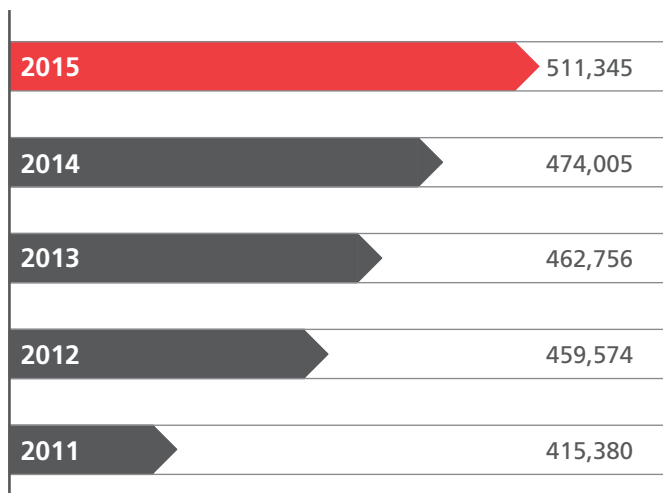
REVENUE (RM'000)



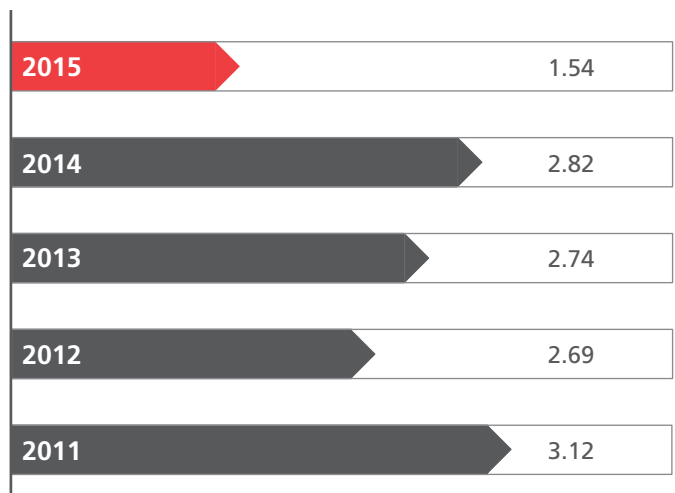
PROFIT BEFORE TAXATION (RM'000)



TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY (RM'000)



NET ASSETS PER SHARE (RM)



Corporate Governance Statement

The Board of Directors of Brem Holding Berhad ("Board") recognizes the importance of practicing the high standards of corporate governance in the Malaysian Code on Corporate Governance ("2012 Code") and is committed to ensuring that the Group's business and operations are in line with the principles and best practices advocated in the Code.

The Board is pleased to disclose below a description of how the Group has applied the principles and recommendations laid down in the 2012 Code and the extent of its compliance during the financial year ended 31 March 2015:-

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

1.1 Clear Functions of the Board and Management

The Group is led and managed by an effective, active and experienced Board which assumes responsibility in corporate governance and the overall performance of the Group.

To ensure the effective discharge of its function and responsibilities, the Board has established and delegates certain responsibilities to specific Board Committees namely the Audit Committee, Nomination Committee and Remuneration Committee which operates within defined terms of reference and operating procedures. These Committees ensure greater attention, objectivity and independence are provided in the deliberation of specific board agenda. The Chairman of the respective Board Committee would report to the Board during the Board Meetings on significant matters deliberated in the Committees.

1.2 Clear Roles and Responsibilities

The Board assumes the primary responsibilities prescribed under the 2012 Code which include, amongst others the review and adoption of the Group's strategic plans, overseeing the conduct of the business operations of the Group, reviewing adequacy of the internal control, identifying principal risks and ensuring that the risks are properly managed, establishing a succession plan, developing a communications policy and reviewing management information and internal control system.

1.3 Formalised Ethical Standards through Code of Ethics

The Group has established a Whistle Blowing Policy and a Code of Ethics and Conduct ("Code") in line with good governance practices. The Whistle Blowing policy provides a framework for direction and procedure to deal with fraud and related matters and defines the rights of the informants and the protection accorded to them while the Code sets out the principles and standards of business ethics and conduct of the Group.

1.4 Strategies Promoting Sustainability

The Group recognizes the importance of sustainability in regards to environmental, social, governance and economic concerns. As a responsible corporation, we are committed to carry out business operations in a manner that will create minimum negative impacts on the environment and the community while creating value for the stakeholders.

1.5 Access to Information and Advice

The Directors have full access to all information, management and the advice and services of the Company Secretary as and when required. The Directors are supplied with the relevant documents and information in advance of each meeting so that they have a comprehensive understanding of the matters to be deliberated upon to enable them to arrive at an informed decision. All scheduled meetings held during the year were preceded with a formal agenda issued by the Company Secretary. In addition, the Directors are also empowered to seek independent professional advice at the Company's expense, should they consider it necessary in their course of duties.

1.6 Company Secretary

The Company has appointed a qualified Company Secretary to play a supportive role to the Board. The scope of services of the Company Secretary inclusive the preparation of notices of all Board Meetings and Board Committees Meetings, attending all Board Meetings and Board Committees Meetings and to ensure that accurate and adequate records of the proceedings of meetings and decisions made are properly kept as well as preparation and submission of statutory returns and forms as and when required by the Companies Commission of Malaysia. The Directors are regularly updated by the Company Secretary, by way of circulation, on new statutory as well as regulatory requirements relating to Directors' duties and responsibilities or the discharge of their duties as Directors of the Company.

Corporate Governance Statement (Cont'd)

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (Continued)

1.7 Board Charter

The Board has approved its Board Charter in July 2013 which sets out the composition, operation, processes, role and a list of specific functions that are reserved for the Board. It is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members. Key matters reserved for the Board's approval includes financial results, dividend policy, related party transactions, corporate plans and programs, annual business plan and budgets, new ventures and investments, material acquisitions and disposal of assets not in the ordinary course of business and authority levels.

The Board Charter is reviewed annually incorporating updates in accordance with the needs of the Company and any new rules and regulations that may have an impact on the discharge of the Board's responsibilities.

The Board Charter, Whistle Blowing Policy, Code of Ethics and Conduct and the Sustainability Policy of the Group are accessible to the public through the Company's website at www.bremholding.com.

2. STRENGTHEN COMPOSITION

2.1 Nomination Committee ("NC")

The NC was established on 27 February 2002. The members of the NC, comprising exclusively of Non-Executive Directors, a majority of whom are independent, are as follows:-

Chairman

Wong Miow Song

(Independent Non-Executive Director)

Members

Dato' Hj. Abu Sujak Bin Hj. Mahmud

(Independent Non-Executive Chairman)

Khoo Hui Giok

(Non-Independent Non-Executive Director)

The NC is responsible for making recommendations on any nomination to the Board and Committees of the Board. In making these recommendations, due consideration is given to the required mix of skills and experience that the proposed directors should bring to the Board and to the respective Board Committees. The decision as to who shall be appointed shall be the responsibility of the full Board after considering the recommendations of the NC.

The NC will also assess annually, the effectiveness of the Board as a whole, the Committees of the Board and contribution of each individual Director including Independent Non-Executive Directors.

The NC had held one (1) meeting during the financial year ended 31 March 2015 which were attended by all members.

2.2 Develop, Maintain And Review Criteria For Recruitment And Annual Assessment Of Directors

(a) Recruitment or New Appointment of Directors

The Board appoints its members through a formal and transparent selection process which involves (1) identification of candidates for directorships, (2) evaluation and deliberation of suitability of candidates by the NC and (3) recommendation to the Board.

In making these, due consideration is given to the required mix of skills, knowledge, expertise and experience, professionalism, integrity, competencies, time commitment, gender diversity and other qualities that the proposed directors should bring to the Board and to the respective Board Committees.

Corporate Governance Statement (Cont'd)

2. STRENGTHEN COMPOSITION (Continued)

2.2 Develop, Maintain And Review Criteria For Recruitment And Annual Assessment Of Directors (Cont'd)

(b) Gender Diversity Policy

The Board is supportive of the gender diversity policy and currently has appointed two female directors to the Board. In its selection for Board appointment, the Board provides equal opportunity to candidates who have the skills, experience, core competencies and other qualities regardless of gender.

(c) Re-election and Re-appointment of Directors

The Articles of Association of the Company provides that all Directors shall retire by rotation once in every three (3) years or at least one-third (1/3) of the Board shall retire from office and be eligible to offer themselves for re-election at the Annual General Meeting ("AGM").

Any Director appointed during the year is required under the Company's Articles to retire and seek re-election by shareholders at the following AGM immediately after his appointment. In addition, Directors over seventy years of age are required to submit themselves for re-appointment annually in accordance with Section 129(6) of the Companies Act, 1965.

Information of each Director standing for re-election covering their personal profile, meeting attendance, directorships in other public companies and shareholdings in the Group is furnished in the Annual Report.

(d) Annual Assessment

The NC conducted its annual appraisal on the effectiveness of the Board, its Committees and the contribution of each director at the meeting held on 22 July 2014. The annual appraisal was conducted via questionnaires.

The Board's effectiveness was assessed in the areas of composition, board strategy, board meetings, corporate and financial reporting, risk management and investors relationship. The review criteria for assessing the Directors' individual performance was largely focus on their meeting attendance, competencies, experience, knowledge, contribution to interaction, quality of input and understanding of role as Director.

The NC, upon the review carried out, is satisfied that the size of the Board is optimum and that there is an appropriate mix of experience and expertise in the composition of the Board and its Committees.

2.3 Directors' Remuneration

The Remuneration Committee ("RC") was established on 27 February 2002. The members of the RC, comprising a majority of Non-Executive Directors, are as follows:-

Chairman

Dato' Hj. Abu Sujak Bin Hj. Mahmud (*Independent Non-Executive Chairman*)

Members

Wong Miow Song (*Independent Non-Executive Director*)

Khoo Chai Kaa (*Managing Director*)

The RC's duty is to make recommendations to the Board on the remuneration framework for all Executive Directors. The policy practiced on Directors' remuneration is to provide the remuneration necessary to attract, retain and motivate Executive Directors of the quality required to manage the businesses of the Company.

Corporate Governance Statement (Cont'd)

2. STRENGTHEN COMPOSITION (Continued)

2.3 Directors' Remuneration (Continued)

Annually, the RC reviews the remuneration of the Executive Directors to ensure that it commensurate with the market expectation, the Directors' experience and competency and the performance of the Group. Directors do not participate in decisions regarding their own remuneration. Meetings of the RC are held as and when necessary, and at least once a year. The RC had held one (1) meeting during the financial year ended 31 March 2015 and was attended by all the members.

In respect of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken and is a matter for consideration by the Board as a whole. The Non-Executive Directors shall abstain from discussions pertaining to their own remuneration.

The details of the Directors' remuneration from the Group for the financial year ended 31 March 2015 are as follows:-

- (a) An analysis of the aggregate remuneration received by the Directors of the Company from the Group, categorised into appropriate components is set out below:-

	Fees RM	Salaries & other emoluments RM	Benefit in Kind RM	Total RM
Executive Directors	30,000	537,820	1,800	569,620
Non-Executive Directors	75,000	41,345	25,750	142,095

- (b) Analysis of Directors' remuneration categorized in successive band of RM50,000:-

Remuneration Bands	Executive Directors	Non-Executive Directors
RM50,000 and below	-	5
RM50,001 - RM100,000	-	-
RM100,001 - RM150,000	-	-
RM150,001 - RM200,000	1	-
RM450,001 - RM500,000	1	-

3. REINFORCE INDEPENDENCE

3.1 Annual Assessment of Independence

The Board will assess the independence of its Independent Directors annually in accordance with the criteria prescribed under Paragraph 1.01 of the Main Listing Requirements of Bursa Securities or any amendment thereto.

During the financial year, the Board conducted the annual appraisal on the independence of the Independent Directors using the peer evaluation questionnaire for assessing the performance of the Independent Directors and the Independent Directors questionnaire. The Board has taken into consideration the skills, experience and contributions from the Independent Directors as well as their background, economic and family relationships. Thereafter, the Board will assess whether the Independent Directors would be able to provide an element of objectivity, independent judgement and balance to the Board. Based on the results of the appraisal, it was concluded that the Independent Directors continues to remain objective and independent in expressing their views and in participating in deliberations and decision making of the Board and Board Committees.

Additionally, each of the Independent Non-Executive Directors has provided an annual confirmation of their independence to the Nomination Committee and the Board.

Corporate Governance Statement (Cont'd)

3. REINFORCE INDEPENDENCE (Continued)

3.2 Tenure of Independent Directors

In line with the 2012 Code, the Board has agreed that upon the completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Non-Executive Director. However, the Board must justify and seek shareholders' approval in the event it retains an Independent Director, a person who has served in that capacity for more than nine (9) years.

As at the date of this statement, one of its existing Independent Directors namely Mr. Wong Miow Song has served on the Board for more than nine years. The Nomination Committee has conducted an assessment to determine whether Mr. Wong would still be able to meet the criteria of "independent" within the definition of "Independent Director" as set out in paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Board, through the review of Self Evaluation Questionnaire and Peer Evaluation Questionnaire done by the Nomination Committee, determined that he has remained objective and independent. The Board holds the view that a Director's independence cannot be determined arbitrarily with reference to a set period of time. The Board believes that the Group benefits from long serving Directors, who possess relevant expertise, detailed knowledge of the Group's businesses and independent judgement to properly evaluate corporate performance and contribute to the effective decision making of the Board. Nevertheless, being the Chairman of the Audit Committee, Mr. Wong has demonstrated that he has the qualities and competencies to enable him to ensure the effectiveness of the Audit Committee in providing independent, objective and effective oversight to the Board. He has also proven his commitment, experience and competence for informed and balance decision making. As such, the Board would be seeking shareholders' approval at the coming AGM for him to continue in office as Independent Director.

3.3 Separation of positions of the Chairman and Managing Director ("MD")

The roles and responsibilities of the Chairman and MD are separated to ensure balance of authority. The Chairman is primarily responsible for the orderly conduct and working of the Board whilst the Managing Director has the overall responsibility for the day-to-day management of the Group's businesses and implementation of the Board's policies and decisions. All major matters and issues are referred to the Board for consideration and approval.

3.4 Composition of the Board

As at the financial year ended 31 March 2015, the Board has seven (7) members comprising an Independent Non-Executive Chairman, a Managing Director, an Executive Director, three Non-Independent Non-Executive Directors and one Independent Non-Executive Director. The composition of the Board complies with paragraph 15.02 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Group practices a division of responsibility between the Executive and Non-Executive Directors. The Executive Directors are responsible for implementing the policies and decisions of the Board, to oversee operations and to coordinate the development and implementation of business and corporate strategies.

The role of the Independent Non-Executive Directors is particularly important in providing an independent view, advice and judgment to ensure that the interests of minority shareholders and the general public are given due consideration in the decision-making process.

The Board comprises a balanced mix of members with professional and business experience relevant to the Group's businesses. A brief profile of each Director is presented on pages 8 and 9 of this Annual Report.

Corporate Governance Statement (Cont'd)

4. FOSTER COMMITMENT

4.1 Time Commitment

The Directors' commitment in carrying out their duties and responsibilities is affirmed by their attendance at the Board and Board Committee Meetings held during the financial year ended 31 March 2015, as reflected below:-

	Attendance at Meetings of/ No. of Meetings Held during Office			
	Board	Audit Committee	NC	RC
Dato' Hj. Abu Sujak Bin Hj. Mahmud	6/6	5/5	1/1	1/1
Khoo Chai Kaa	6/6	N/A	N/A	1/1
Khoo Chai Thiam	6/6	N/A	N/A	N/A
Low Yew Hwa	6/6	#5/5	N/A	N/A
Wong Miow Song	6/6	5/5	1/1	1/1
Khoo Hui Keam	5/6	N/A	N/A	N/A
Khoo Hui Giok	6/6	5/5	1/1	N/A

Attended by invitation
N/A *Not Applicable*

4.2 Directors' Training

All Board members have completed the Mandatory Accreditation Programme in accordance with the Listing Requirements. During the financial year ended 31 March 2015, all the Directors have attended development and training programmes, the details of which were as follows:

Name of Directors	Development and Training Programmes
Dato' Hj. Abu Sujak Bin Hj. Mahmud	a) Goods and Services Tax (GST) in Malaysia
Khoo Chai Kaa	a) Goods and Services Tax (GST) in Malaysia
Khoo Chai Thiam	a) Goods and Services Tax (GST) in Malaysia
Low Yew Hwa	a) Slope Management Seminar b) Seminar on The New Development and Amendments in the Building and Housing Industry c) 10 th Tricor Tax & Corporate Seminar d) Goods and Services Tax (GST) in Malaysia
Wong Miow Song	a) Goods and Services Tax (GST) in Malaysia
Khoo Hui Keam	a) Goods and Services Tax (GST) in Malaysia
Khoo Hui Giok	a) Goods and Services Tax (GST) in Malaysia b) Implement GST with Confidence c) Preparation For Goods & Services Tax (GST)

The Board acknowledges the importance of continuous education and training to enable the Board to effectively discharge its duties and responsibilities. The Board ensures that all its Directors attend at least one training in a year on a continuous basis pursuant to the Listing Requirements of Bursa Securities.

Corporate Governance Statement (Cont'd)

5. UPHOLD INTEGRITY IN FINANCIAL REPORTING

5.1 Compliance With Applicable Financial Reporting Standards

The Directors are responsible for the preparation and fair presentation of the financial statements for each financial year in accordance with applicable Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

Quarterly financial results and annual financial statements are reviewed and deliberated upon by the Audit Committee to ensure the quality and adequacy of such information, prior to submission the Board for its approval. The Audit Committee also reviews the appropriateness of the Company's accounting policies and the changes to these policies.

The Statement of Directors' Responsibility in relation to the financial statements is presented on the appropriate section of this Annual Report.

5.2 Assessment Of Suitability And Independence of External Auditors

To maintain a transparent and formal relationship with the Company's external auditors, the Audit Committee reviews the appointment, performance, independence and remuneration of the external auditors. The Audit Committee had met with the external auditors twice during the financial year under review without the presence of executive members of the Board. The Audit Committee Report covering its terms of reference, composition, activities and attendance of the members are reported separately on pages 26 to 28.

6. RECOGNISE AND MANAGE RISKS

6.1 Sound Framework to Manage Risks

The Board is responsible for the adequacy and effectiveness of the Group's risk management and internal control system. Risk management is embedded in the Group's management systems. The Board with the assistance of the outsourced internal audit function has established processes for identifying, evaluating and managing the significant risks faced by the core business of the Group. The outcome of the process is reviewed by the Board and is guided by the Statement on Risk Management & Internal Control Guidelines for Directors of Public Listed Companies issued by Bursa Securities.

6.2 Internal Audit Function

The internal audit function is outsourced to an independent internal audit service company. The Audit Committee reviews and approves the internal audit plan, which is developed based on the key risk areas and major operating units of the Group. Audit reviews were carried out on quarterly basis and audit findings were reported to the Audit Committee. Further details of the activities of the internal audit function are set out in the Audit Committee Report on pages 26 to 28 of this Annual Report.

The Statement of Risk Management and Internal Control furnished on pages 12 to 13 of this Annual Report provide an overview on the state of internal controls within the Group.

7. ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

7.1 Corporate Disclosure Policy

The Board acknowledges that timely, complete and accurate disclosure is important to an orderly and fair market for the trading of securities. In that respect, the Company is guided by Bursa Securities' disclosure framework as outlined in its Corporate Disclosure Guide.

7.2 Leverage on Information Technology For Effective Dissemination of Information

The Board endeavours to leverage on information technology for broader and effective ways to communicate with both its shareholders and stakeholders. Information is disseminated through various disclosures and announcements made to the Bursa Securities which includes the quarterly financial results, audited financial statements and Annual Reports. Shareholders and members of the public can obtain information on the Group through the Bursa Securities' website at www.bursamalaysia.com and the Company's website at www.bremholding.com.

Corporate Governance Statement (Cont'd)

8. STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

8.1 Encourage Shareholder Participation At General Meetings

The Board regards the AGM and other general meetings as an opportunity to communicate directly with shareholders and encourages attendance and participation in dialogue.

Notice of the AGM and Annual Report are sent to shareholders 21 days prior to the meeting. At each AGM, the Board presents the performance and progress of the Company and provides shareholders with the opportunity to raise questions pertaining to the Company. The Chairman and the Board will respond to the questions raised by the shareholders during the AGM. The Board has ensured that an explanatory statement will accompany each item of special business included in the notice of meeting on the effects of the proposed resolution.

8.2 Encourage Poll Voting

Recommendation 8.2 of the 2012 Code recommends that the Board should encourage poll voting for substantive resolutions. The Board is of the view that with the current level of shareholders' attendance at AGM, voting by way of a show of hands continues to be efficient.

8.3 Effective Communication And Proactive Engagement

Besides the key channels of communication through the Company's AGM, Annual Report, Quarterly Report and various announcements to the Bursa Securities, the Company's website at www.bremholding.com also provides corporate, financial and non-financial information. Through the website, shareholders are able to direct enquiries to the Company. Additionally, a press conference is held immediately after the AGM upon request.

The Board has also designated Mr. Wong Miow Song as the Senior Independent Director to whom shareholders and investors can voice their view and concerns by email at wongms@bremholding.com as an alternative channel of communication with shareholders.

STATEMENT OF DIRECTORS' RESPONSIBILITY FOR PREPARATION OF THE FINANCIAL STATEMENTS

The Directors are responsible for ensuring that:-

- The annual audited financial statements of the Group and of the Company are drawn up in accordance with applicable accounting standards in Malaysia, the provisions of the Companies Act, 1965 and the Main Market Listing Requirements of Bursa Securities so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2015 and of their financial performance and cash flows for the year ended on that date.
- Proper accounting and other records are kept which enable the preparation of the financial statements with reasonable accuracy and taking reasonable steps to ensure that appropriate system are in place to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

In the preparation of the financial statements for the financial year ended 31 March 2015, the Directors have adopted appropriate accounting policies and have applied them consistently in the financial statements with reasonable and prudent judgments and estimates. The Directors are also satisfied that all relevant approved accounting standards have been followed in the preparation of the financial statements.

This statement was made in accordance with a resolution of the Board dated 23 July 2015.

Audit Committee Report

ESTABLISHMENT AND COMPOSITION

The Audit Committee of Brem Holding Berhad was established on 25 July 1994. For the financial year ended 31 March 2015, the Audit Committee comprises the following three directors:-

Chairman

Mr. Wong Miow Song

(Independent Non-Executive Director)

Members

Dato' Hj. Abu Sujak bin Hj. Mahmud

(Independent Non-Executive Director)

Ms. Khoo Hui Giok

(Non-Executive Director)

SUMMARY OF THE TERMS OF REFERENCE

1. MEMBERSHIP

- 1.1 The Committee shall be appointed by the Board from amongst the non-executive directors of the Company and shall consist of not less than three members, of whom the majority shall be independent.
- 1.2 The Committee shall include at least one person who is a member of the Malaysian Institute of Accountants or alternatively a person who must have at least 3 years' working experience and have passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967 or is a member of one of the associations of accountants specified in Part II of the said Schedule or alternatively a person who has fulfill such other requirements as prescribed by Bursa Malaysia Securities Berhad ("Bursa Securities") or approved by Bursa Securities.
- 1.3 No alternate director shall be appointed as a member of the Committee.
- 1.4 The members of the Committee shall elect from among their number a chairman who is non-executive and independent, as defined above.
- 1.5 If one or more members of the Committee resign, die or for any other reason cease to be a member with the result that the Listing Requirements of the Bursa Securities are breached, the Board shall, within three months of the event, appoint such number of new members as may be required to correct the breach.
- 1.6 The Board shall review the term of office of Committee members no less than once every three years.

2. AUTHORITY

The Committee is authorised by the Board, in accordance with the procedures to be determined by the Board (if any) and at the cost of the Company, to:

- (a) investigate any activity within the Committee's terms of reference;
- (b) have resources which are reasonably required to enable it to perform its duties;
- (c) have full and unrestricted access to any information pertaining to the Company or the Group;
- (d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any);
- (e) obtain outside legal or other independent professional advice and secure the attendance of outsiders with relevant experience and expertise if it considers this necessary; and
- (f) convene meetings with the external auditors, internal auditors or both, excluding the attendance of the executive members of the other directors and employees of the Company, whenever deemed necessary.

Audit Committee Report (Cont'd)

3. FUNCTIONS AND RESPONSIBILITIES

3.1 The Audit Committee shall, amongst others, discharge the following functions:-

3.1.1 review the following and report the same to the Board:-

- (a) with the external auditors, the scope of the audit and the audit plan;
- (b) with the external auditors, their evaluation of the system of internal controls;
- (c) with the external auditors, their management letter and the management's response;
- (d) with the external auditors, their audit report;
- (e) the assistance given by the employees to the external auditors;
- (f) 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;
- (g) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
- (h) the quarterly results and year end financial statements, prior to the approval by the Board of Directors, focusing particularly on:-
 - (i) any changes in or implementation of major accounting policy changes;
 - (ii) significant adjustments arising from the audit;
 - (iii) significant and unusual events;
 - (iv) the going concern assumption; and
 - (v) compliance with accounting standards and other legal requirements;
- (i) any related party transaction and conflict of interest situation that may arise within the Company or the group including any transaction, procedure or course of conduct that raises questions of management integrity;
- (j) any letter of resignation from the external auditors; and
- (k) whether there is reason (supported by grounds) to believe that the external auditors are not suitable for re-appointment;

3.1.2 recommend the nomination of a person or persons as external auditors; and

3.1.3 any other matters as directed by the Board.

3.2 The Committee shall establish an internal audit function which is independent of the activities it audits.

3.3 The Committee shall oversee all internal audit functions and is authorized to commission investigations to be conducted by internal audit as it deems fit.

3.4 The internal auditor shall report directly to the Committee and shall have direct access to the Chairman of the Committee.

3.5 All proposals by management regarding the appointment, transfer or dismissal of the internal auditor shall require the prior approval of the Committee.

4. QUORUM, ATTENDANCE AND FREQUENCY OF MEETINGS

4.1 The quorum shall be formed only if there is a majority of members present at the meeting who are independent directors.

4.2 The Head of Finance, the Head of Internal Audit and a representative of the External Auditors shall normally attend meetings. Other Board members and employees may attend any particular meeting only at the Audit Committee's invitation, specific to the relevant meeting. However, twice a year the Committee shall meet with the External Auditors without executive Board members present.

4.3 The Chairman shall call for meetings, to be held not less than four times a year. The External Auditors may request a meeting if they consider one necessary.

Audit Committee Report (Cont'd)

AUDIT COMMITTEE MEETINGS

The Audit Committee met five times during the financial year ended 31 March 2015. The details of Audit Committee's meetings held and attended by the Committee during the financial year are as follows:-

Audit Committee Member	No. of Audit Committee Meetings	
	Held	Attended
Chairman Wong Miow Song (Independent Non-Executive Director)	5	5
Members Dato' Hj. Abu Sujak bin Hj. Mahmud (Independent Non-Executive Director)	5	5
Khoo Hui Giok (Non-Executive Director)	5	5

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR ENDED 31 MARCH 2015

During the financial year ended 31 March 2015, the activities of the Audit Committee included the following:-

- reviewed the unaudited quarterly financial results and announcements for the financial quarters prior to submission to the Board of Directors for consideration and approval;
- reviewed the audited financial statements for the year ended 31 March 2014;
- reviewed the external auditors' report to the Committee in relation to the audit and accounting issues arising from the audit of the Group's financial statements and the management's response;
- considered the audit fee payable and the nomination of the external auditors for recommendation to the Board for appointment;
- reviewed the assistance given by the employees to the external auditors in respect of the audit for the year ended 31 March 2014;
- reviewed the external auditors' audit plans and the scope of audit for the financial year ended 31 March 2015;
- met with the external auditors twice during the financial year ended 31 March 2015 without the presence of any executive Board members;
- reviewed internal audit reports prepared by the Internal Auditor on the Company and its subsidiaries and management implementation of audit recommendations;
- reviewed the internal audit plan for financial year ending 2015/2016/2017 outlining its scope and focus;
- reviewed the disclosure statements on Corporate Governance, Audit Committee Report and the Statement of Risk Management and Internal Control for the year ended 31 March 2014 and recommended their adoption to the Board; and
- reviewed the guidelines and procedures set out to monitor recurrent related party transactions.

INTERNAL AUDIT FUNCTION

For the financial year ended 31 March 2015, the Group has outsourced its internal audit function to an independent internal audit service company and the selected team is independent of the activities audited by them. The cost incurred for the internal audit function in respect of the financial year ended 31 March 2015 is RM60,354/-.

The principal responsibility of the internal audit function is to undertake regular and systematic review of the systems of controls so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively in the Group. The internal auditors undertake internal audit function based on the audit plan that was reviewed and approved by the Audit Committee.

During the financial year under review, the internal auditors have conducted audit on selected subsidiaries and key functions and reported their findings and recommendations to the Audit Committee. These internal audit reports together with responses by management were circulated to all members of the Audit Committee. All internal audit reports were reviewed by the Audit Committee and discussed at Audit Committee Meetings and recommendations were duly acted upon by the management.



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Directors' Report

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31st March 2015.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of general contractors, property development, property investments and investment holding. All other operational activities of the Group are undertaken by their respective subsidiaries and associates and are disclosed in Notes 8 and 9 to the financial statements.

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

FINANCIAL RESULTS

	Group RM	Company RM
Profit for the financial year	61,635,883	43,441,489
Attributable to:		
Shareholders of the Company	41,847,079	43,441,489
Non-controlling interests	19,788,804	-
	61,635,883	43,441,489

DIVIDENDS

An interim single tier dividend of 3% amounting to RM4,983,162 in respect of the financial year ended 31st March 2015 was paid on 18th March 2015.

A final single tier dividend of 3% amounting to RM5,007,154 in respect of the financial year ended 31st March 2014 was paid on 18th November 2014.

RESERVES AND PROVISIONS

All material transfers to and from reserves and provisions during the financial year have been disclosed in the financial statements.

BAD AND DOUBTFUL DEBTS

Before the statements of profit or loss and other comprehensive income and statements of financial position 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 doubtful debts, and had satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances that would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the statements of profit or loss and other comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps to ensure that any current assets, other than debts, which were unlikely to be realised in the ordinary course of business, their values as shown in the accounting records of the Group and of the Company had been written down to an amount that they might be expected to be realised.

At the date of this report, the Directors are not aware of any circumstances that would render the values attributed to the current assets in the financial statements of the Group and of the Company 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 the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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 liabilities in respect of the Group and of the Company that has arisen since the end of the financial year.

In the opinion of the Directors, no contingent liabilities or other liabilities 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 will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due other than as disclosed in Note 40 to the financial statements.

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 that 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 for 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.

No item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any shares or debentures during the financial year.

Directors' Report (Cont'd)

TREASURY SHARES

During the financial year, the Company repurchased 2,881,500 ordinary shares comprising of 1,282,000 ordinary shares of RM1.00 each and 1,599,500 ordinary shares of RM0.50 each, of its issued ordinary shares from the open market at an average price of RM1.63 per share. The total consideration paid for the repurchase including transaction costs was RM4,688,230. The shares repurchased were held as treasury shares in accordance with Section 67A of the Companies Act, 1965 in Malaysia.

DIRECTORS

The following Directors served on the Board of the Company since the date of the last report:

Dato' Hj. Abu Sujak Bin Hj. Mahmud
Khoo Chai Kaa
Khoo Chai Thiam
Khoo Hui Keam
Khoo Hui Giok
Low Yew Hwa
Wong Miow Song

In accordance with Article 80 of the Company's Article of Association, Khoo Chai Thiam and Low Yew Hwa retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

In accordance with Section 129(2) of the Companies Act, 1965 in Malaysia, Dato' Hj. Abu Sujak Bin Hj. Mahmud having attained age of 70, shall vacate the office of the Director of the Company. However, pursuant to Section 129(6), he may be re-appointed by resolution passed by a majority of not less than three-fourths of such number of shareholders of the Company entitled to vote at a general meeting of the Company. The appointment to hold office shall be until the next Annual General Meeting of the Company. A resolution to re-appoint him as Director of the Company will be proposed at the forthcoming Annual General Meeting.

DIRECTORS' INTERESTS

The shareholdings in the Company of those who were Directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Company Act, 1965 in Malaysia were as follows:

	Number of ordinary shares				
	of RM1.00 each		of RM0.50 each		
	At 1.4.2014	Bought	Sold	Share split #	At 31.3.2015
Direct Interest					
Khoo Chai Kaa	24,374,410	-	-	24,374,410	48,748,820
Low Yew Hwa	2,530,863	-	-	2,530,863	5,061,726
Khoo Chai Thiam	3,428,672	-	-	3,428,672	6,857,344
Indirect Interest					
Khoo Chai Kaa *	39,913,350	3,000,000	-	42,913,350	85,826,700

* Indirect interest through Brem Properties Sdn. Bhd.

During the financial year, the Company undertook a share split exercise involving the subdivision of every 1 existing ordinary share of RM1.00 each in the Company into 2 new ordinary shares of RM0.50 each.

By virtue of his interest in shares in the Company, Mr. Khoo Chai Kaa is also deemed to be interested in the shares of all the subsidiaries to the extent that the Company has an interest.

Mr. Khoo Chai Kaa and Mr. Low Yew Hwa holds respectively 1 ordinary share of Kina 1.00 each in Brem Maju (PNG) Limited which constitutes 0.004% of the paid up share capital therein.

Mr. Low Yew Hwa also holds 600,000 ordinary shares of HK\$1.00 each in Brem Oversea Investments Pte Ltd which constitutes 5% paid up share capital therein.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than benefits 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 except as recorded and disclosed in the Note 36(b) to the financial statements.

During and at the end of the financial year, no arrangement subsisted to which the Company or its related companies was a party, whereby Directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year is disclosed in Note 44 to the financial statements.

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng, have indicated their willingness to continue in office.

On behalf of the Board,

KHOO CHAI KAA
Director

KHOO CHAI THIAM
Director

Kuala Lumpur

Date: 23rd July 2015

Statements of Financial Position

As at 31st March 2015

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
ASSETS					
Non-current Assets					
Property, plant and equipment	4	4,350,709	3,228,167	2,794,845	1,377,494
Operating financial assets	5	76,089,395	80,070,219	-	-
Land held for property development	6	291,995,540	250,930,897	33,856,258	33,802,922
Investment properties	7	108,336,747	110,576,818	-	-
Investment in subsidiaries	8	-	-	88,622,089	89,327,211
Investment in associates	9	4,648,309	61,812,597	5,047,000	50,320,000
Investment in joint ventures	10	2	-	-	-
Other investments	11	23,692,853	595,445	23,097,408	-
Deferred tax assets	12	3,834,351	3,506,432	-	-
Goodwill on consolidation	13	33,257,325	33,257,325	-	-
Trade receivables	14	-	633,442	-	-
		546,205,231	544,611,342	153,417,600	174,827,627
Current Assets					
Property development costs	15	101,782,274	88,661,707	14,579,717	13,228,643
Operating financial assets	5	17,794,207	13,185,442	-	-
Inventories	16	25,607,101	13,235,177	12,089,674	12,172,122
Trade receivables	14	23,011,535	39,745,783	1,282,430	12,358,881
Other receivables, deposits and prepayments	17	6,863,815	6,605,674	1,010,172	990,833
Amount due from subsidiaries	18	-	-	176,010,792	114,120,560
Amount due from associates	19	29,949,694	-	29,949,694	-
Amount due from joint ventures	20	8,400,000	-	-	-
Tax recoverable		3,149,017	2,133,189	-	-
Deposits with licensed financial institutions	21	49,359,789	40,317,086	-	24,378,527
Cash and bank balances	22	7,991,754	13,835,320	17,000	17,000
		273,909,186	217,719,378	234,939,479	177,266,566
TOTAL ASSETS		820,114,417	762,330,720	388,357,079	352,094,193

Statements of Financial Position

As at 31st March 2015 (Cont'd)

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	23	172,736,172	172,736,172	172,736,172	172,736,172
Reserves	24	348,758,888	306,730,322	195,930,452	162,479,279
Treasury shares	25	(10,149,712)	(5,461,482)	(10,149,712)	(5,461,482)
Total equity attributable to shareholders of the Company		511,345,348	474,005,012	358,516,912	329,753,969
Non-controlling interests		162,014,091	129,829,560	-	-
Total Equity		673,359,439	603,834,572	358,516,912	329,753,969
LIABILITIES					
Non-current liabilities					
Hire purchase payables	26	1,145,976	1,090,157	867,751	450,086
Bank borrowings	27	83,994,152	83,770,492	-	-
Deferred tax liabilities	12	9,176,588	13,361,393	229,487	67,100
		94,316,716	98,222,042	1,097,238	517,186
Current Liabilities					
Trade payables	28	19,766,694	17,954,687	19,353,849	9,786,750
Other payables, deposits and accruals	29	14,828,612	12,572,294	1,199,921	1,419,749
Amount due to subsidiaries	30	-	-	4,531,954	4,216,456
Amount due to directors	31	98,873	254,423	-	155,556
Hire purchase payables	26	996,796	612,000	634,948	259,453
Bank borrowings	27	13,864,431	26,409,880	2,413,323	5,291,140
Provision for taxation		2,882,856	2,470,822	608,934	693,934
		52,438,262	60,274,106	28,742,929	21,823,038
Total Liabilities		146,754,978	158,496,148	29,840,167	22,340,224
TOTAL EQUITY AND LIABILITIES		820,114,417	762,330,720	388,357,079	352,094,193

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

Statements of Comprehensive Income

For the financial year ended 31st March 2015

	Note	Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Revenue	32	104,925,671	144,101,370	35,934,495	73,807,118
Cost of sales	33	(64,419,068)	(101,324,885)	(27,265,194)	(33,904,910)
Gross profit		40,506,603	42,776,485	8,669,301	39,902,208
Other income	34	47,987,056	31,062,017	43,031,560	12,323,416
Administrative expenses		(9,104,533)	(9,066,370)	(3,348,492)	(4,702,819)
Finance costs	35	(2,397,783)	(2,865,463)	(127,058)	(315,776)
Share of results of associates		63,743	810,827	-	-
Profit before taxation	36	77,055,086	62,717,496	48,225,311	47,207,029
Taxation	37	(15,419,203)	(16,053,097)	(4,783,822)	(3,643,154)
Profit for the financial year		61,635,883	46,664,399	43,441,489	43,563,875
Other comprehensive income					
Foreign currency translation		20,675,130	(30,754,731)	-	-
Total comprehensive income for the financial year		82,311,013	15,909,668	43,441,489	43,563,875
Profit attributable to:					
Shareholders of the Company		41,847,079	35,818,372	43,441,489	43,563,875
Non-controlling interests		19,788,804	10,846,027	-	-
		61,635,883	46,664,399	43,441,489	43,563,875
Total comprehensive income attributable to:					
Shareholders of the Company		52,387,194	19,821,638	43,441,489	43,563,875
Non-controlling interests		29,923,819	(3,911,970)	-	-
		82,311,013	15,909,668	43,441,489	43,563,875
Earnings per ordinary share (sen):					
- basic	38	12.48	10.64		
- diluted	38	12.48	10.64		

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

Statements of Changes in Equity

For the financial year ended 31st March 2015

	Attributable to Owners of the Parent						Non-Controlling Interests RM	Total Equity RM
	Share Capital RM	Capital Reserves RM	Exchange Fluctuation Reserves RM	Treasury Shares RM	Retained Earnings RM	Total RM		
Group								
Balance at 1st April 2013	172,736,172	3,884,536	9,289,951	(4,459,977)	281,305,191	462,755,873	142,767,240	605,523,113
Share repurchased	-	-	-	(1,001,505)	-	(1,001,505)	-	(1,001,505)
Total comprehensive income for the year	-	-	(15,996,734)	-	35,818,372	19,821,638	(3,911,970)	15,909,668
Dividend paid to non-controlling interests	-	-	-	-	-	-	(9,025,710)	(9,025,710)
Dividends paid	-	-	-	-	(7,570,994)	(7,570,994)	-	(7,570,994)
	39							
Balance at 31st March 2014	172,736,172	3,884,536	(6,706,783)	(5,461,482)	309,552,569	474,005,012	129,829,560	603,834,572
Share repurchased	-	-	-	(4,688,230)	-	(4,688,230)	-	(4,688,230)
Total comprehensive income for the year	-	-	10,540,115	-	41,847,079	52,387,194	29,923,819	82,311,013
Changes in ownership interests in a subsidiary	-	-	-	-	(368,312)	(368,312)	2,260,712	1,892,400
Transfer from capital reserve	-	(3,884,536)	-	-	3,884,536	-	-	-
Dividends paid	-	-	-	-	(9,990,316)	(9,990,316)	-	(9,990,316)
	39							
Balance at 31 March 2015	172,736,172	-	3,833,332	(10,149,712)	344,925,556	511,345,348	162,014,091	673,359,439

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

Statements of Changes in Equity

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

	Note	Share Capital RM	Treasury Shares RM	Retained Earnings RM	Total Equity RM
Company					
Balance at 1st April 2013		172,736,172	(4,459,977)	126,486,398	294,762,593
Share repurchased		-	(1,001,505)	-	(1,001,505)
Total comprehensive income for the financial year		-	-	43,563,875	43,563,875
Dividends paid	39	-	-	(7,570,994)	(7,570,994)
Balance at 31st March 2014		172,736,172	(5,461,482)	162,479,279	329,753,969
Share repurchased		-	(4,688,230)	-	(4,688,230)
Total comprehensive income for the financial year		-	-	43,441,489	43,441,489
Dividends paid	39	-	-	(9,990,316)	(9,990,316)
Balance at 31st March 2015		172,736,172	(10,149,712)	195,930,452	358,516,912

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

Statements of Cash Flows

For the financial year ended 31st March 2015

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	77,055,086	62,717,496	48,225,311	47,207,029
Adjustments for:				
Bad debts written off	-	1,700,678	-	1,502,900
Depreciation of:				
- property, plant and equipment	1,025,765	725,599	633,397	447,152
- investment properties	2,485,953	2,478,644	-	-
Dividend income	-	-	-	(26,242,500)
Gain on disposal of property, plant and equipment	(343,271)	(565,140)	(342,992)	(366,986)
Gain on disposal of a subsidiary	-	(281,270)	(1,187,278)	-
Gain on disposal of an associate	(17,165,935)	-	(28,996,040)	-
Interest expenses	2,397,783	2,865,464	127,058	315,776
Interest income	(21,427,925)	(20,966,108)	(6,122,838)	(4,189,827)
Property, plant and equipment written off	21,066	1,293	15,934	-
Reversal of impairment loss on investment in an associate	-	(6,800,000)	-	(6,800,000)
Share of results of associates	(63,743)	(810,827)	-	-
Unrealised loss/(gain) on foreign exchange, net	247,404	(426,853)	(40,298)	39,913
Operating profit before changes in working capital	44,232,183	40,638,976	12,312,254	11,913,457
Property development cost	(23,573,015)	(19,225,732)	(1,351,074)	(287,301)
Land held for property development	(15,603,118)	(8,737,349)	(53,336)	-
Operating financial assets	32,772,140	27,440,844	-	-
Inventories	(12,371,924)	(654,040)	82,448	409,015
Receivables	(13,827,191)	25,579,106	11,057,112	9,525,173
Payables	14,117,817	4,057,880	9,232,013	(20,591,026)
Subsidiaries	-	-	(91,524,428)	2,121,258
Cash generated from/(used in) operations	25,746,892	69,099,685	(60,245,011)	3,090,576
Tax paid	(19,826,213)	(15,869,766)	(4,706,435)	(4,605,030)
Net cash (used in)/from operating activities	5,920,679	53,229,919	(64,951,446)	(1,514,454)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(414,336)	(559,901)	(858,691)	(319,204)
Advances to joint ventures	(8,400,000)	-	-	-
Additional development cost in investment properties	(245,882)	(119,523)	-	-
Acquisition of land held for property development	(25,461,525)	(1,285,390)	-	-
Acquisition of associated companies	(5,047,000)	-	(5,047,000)	-
Dividend received	-	680,000	-	26,242,500
Proceeds from disposal of:				
- property, plant and equipment	342,999	575,860	343,000	367,000
Net proceeds from disposal of investment in subsidiary	-	644,602	1,892,400	-
Net proceeds from disposal of investment in associate	79,316,040	-	79,316,040	-
Interest received	7,586,857	4,981,171	6,122,838	4,189,827
Net cash from investing activities	47,677,153	4,916,819	81,768,587	30,480,123

Statements of Cash Flows

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

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of hire purchase payables	(1,259,070)	(466,560)	(414,839)	(245,582)
Repayment of bank borrowings	(14,113,092)	(11,189,433)	(5,000,000)	-
Dividend paid to non-controlling interest of a subsidiary	-	(9,025,710)	-	-
Repurchase of treasury shares	(4,688,230)	(1,001,505)	(4,688,230)	(1,001,505)
Dividend paid to shareholders of the Company	(9,990,316)	(7,570,994)	(9,990,316)	(7,570,994)
Interest paid	(2,397,783)	(2,865,464)	(127,058)	(315,776)
Placement of deposit with licensed financial institutions	(1,573,591)	(448,119)	-	-
Placement of unit trust	(23,097,408)	-	(23,097,408)	-
Net cash used in financing activities	(57,119,490)	(32,567,785)	(43,317,851)	(9,133,857)
Net (decrease)/increase in cash and cash equivalents	(3,521,658)	25,578,953	(26,500,710)	19,831,812
Cash and cash equivalents at the beginning of financial year	50,576,664	28,913,017	24,104,387	4,272,575
Effects of exchange rate changes	3,355,901	(3,915,306)	-	-
Cash and cash equivalents at the end of financial year	50,410,907	50,576,664	(2,396,323)	24,104,387
CASH AND CASH EQUIVALENTS COMPRISE:				
Deposits with licensed financial institutions	49,359,789	40,317,086	-	24,378,527
Cash and bank balances	7,991,754	13,835,320	17,000	17,000
Bank overdrafts	(4,638,535)	(2,847,232)	(2,413,323)	(291,140)
	52,713,008	51,305,174	(2,396,323)	24,104,387
Less: Deposits pledged to licensed financial institutions	(2,302,101)	(728,510)	-	-
	50,410,907	50,576,664	(2,396,323)	24,104,387

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

Notes to the Financial Statements

1. GENERAL INFORMATION

The principal activities of the Company are those of general contractors, property development, property investments and investment holding. All other operational activities of the Group are undertaken by respective subsidiaries and associates and are disclosed in Notes 8 and 9 to the financial statements.

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

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office and principal place of business are located at 3rd Floor, Brem House, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan.

The financial statements are expressed in Ringgit Malaysia ("RM"). All financial information presented in RM has been rounded to the nearest RM'000, unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 23rd July 2015.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The financial statements of the Group and of the Company have been prepared under the historical cost basis, other than as disclosed in the significant accounting policies in Note 2.3.

The preparation of financial statements in conformity with FRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reported period. It also requires Directors to exercise their judgment in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgment are based on the Directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 New FRSs, Amendments/Improvements to FRSs and New IC Interpretations ("IC Int")

(a) Adoption of Amendments/Improvements to FRSs and New IC Int

The Group and the Company had adopted the following amendments/improvements to FRSs and new IC Int that are mandatory for the current financial year:

Amendments/Improvements to FRSs

FRS 10	Consolidated Financial Statements
FRS 12	Disclosure of Interests in Other Entities
FRS 127	Separate Financial Statements
FRS 132	Financial Instruments: Presentation
FRS 136	Impairment of Assets
FRS 139	Financial Instruments: Recognition and Measurement

New IC Int

IC Int 21	Levies
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The adoption of the above amendments/improvements to FRSs and new IC Int do not have any significant effect on the financial statements of the Group and of the Company.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 New FRSs, Amendments/Improvements to FRSs and New IC Interpretations ("IC Int") (Continued)

(b) New FRSs and Amendments/Improvements to FRSs that are issued, but not yet effective and have not been early adopted

The Group and the Company have not adopted the following new FRSs and amendments/improvements to FRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company:

<u>New MFRS</u>		Effective for financial periods beginning on or after
FRS 9	Financial Instruments	1st January 2018
<u>Amendments/Improvements to MFRSs</u>		
FRS 1	First-time Adoption of Financial Reporting Standards	1st July 2014
FRS 2	Share-based Payments	1st July 2014
FRS 3	Business Combinations	1st July 2014
FRS 5	Non-current Asset Held for Sale and Discontinued Operations	1st January 2016
FRS 7	Financial Instruments: Disclosures	1st January 2016
FRS 8	Operating Segments	1st July 2014
FRS 10	Consolidated Financial Statements	1st January 2016
FRS 11	Joint Arrangements	1st January 2016
FRS 12	Disclosure of Interests in Other Entities	1st January 2016
FRS 13	Fair Value Measurement	1st July 2014
FRS 101	Presentation of Financial Statements	1st January 2016
FRS 116	Property, Plant and Equipment	1st July 2014/ 1st January 2016
FRS 119	Employee Benefits	1st July 2014/ 1st January 2016
FRS 124	Related Party Disclosures	1st July 2014
FRS 127	Separate Financial Statements	1st January 2016
FRS 128	Investments in Associates and Joint Ventures	1st January 2016
FRS 138	Intangible Assets	1st July 2014/ 1st January 2016
FRS 140	Investment Property	1st July 2014

A brief discussion on the above significant new FRSs and amendments/improvements to FRSs are summarised below. Due to the complexity of these new standards, the financial effects of their adoption are currently still being assessed by the Group and the Company.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 New FRSs, Amendments/Improvements to FRSs and New IC Interpretations ("IC Int") (Continued)

(b) New FRSs and Amendments/Improvements to FRSs that are issued, but not yet effective and have not been early adopted (Continued)

FRS 9 Financial Instruments

FRS 9 introduces a package of improvements which includes a classification and measurement model, a single forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting.

Classification and measurement

FRS 9 introduces an approach for classification of financial assets which is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments.

In essence, if a financial asset is a simple debt instrument and the objective of the entity's business model within which it is held is to collect its contractual cash flows, the financial asset is measured at amortised cost. In contrast, if that asset is held in a business model the objective of which is achieved by both collecting contractual cash flows and selling financial assets, then the financial asset is measured at fair value in the statement of financial position, and amortised cost information is provided through profit or loss. If the business model is neither of these, then fair value information is increasingly important, so it is provided both in the profit or loss and in the statement of financial position.

Impairment

FRS 9 introduces a new, expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, this Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. The model requires an entity to recognise expected credit losses at all times and to update the amount of expected credit losses recognised at each reporting date to reflect changes in the credit risk of financial instruments. This model eliminates the threshold for the recognition of expected credit losses, so that it is no longer necessary for a trigger event to have occurred before credit losses are recognised.

Hedge accounting

FRS 9 introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities, enabling entities to better reflect these activities in their financial statements. In addition, as a result of these changes, users of the financial statements will be provided with better information about risk management and the effect of hedge accounting on the financial statements.

Amendments to FRS 1 First-time Adoption of Financial Reporting Standards

Amendments to FRS 1 relates to the IASB's Basis for Conclusions which is not an integral part of the Standard. The Basis for Conclusions clarifies that a first-time adopter is permitted but not required to apply a new or revised Standard that is not yet mandatory but is available for early application.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 New FRSs, Amendments/Improvements to FRSs and New IC Interpretations ("IC Int") (Continued)

(b) New FRSs and Amendments/Improvements to FRSs that are issued, but not yet effective and have not been early adopted (Continued)

Amendments to FRS 3 Business Combinations

Amendments to FRS 3 clarifies that when contingent consideration meets the definition of financial instrument, its classification as a liability or equity is determined by reference to FRS 132 Financial Instruments: Presentation. It also clarifies that contingent consideration that is classified as an asset or a liability shall be subsequently measured at fair value at each reporting date and changes in fair value shall be recognised in profit or loss.

In addition, amendments to FRS 3 clarifies that FRS 3 excludes from its scope the accounting for the formation of all types of joint arrangements (as defined in FRS 11 *Joint Arrangements*) in the financial statements of the joint arrangement itself.

Amendments to FRS 7 Financial Instruments: Disclosures

Amendments to FRS 7 provides additional guidance to clarify whether servicing contracts constitute continuing involvement for the purposes of applying the disclosure requirements of FRS 7.

The Amendments also clarify the applicability of Disclosure – Offsetting Financial Assets and Financial Liabilities (Amendments to FRS 7) to condensed interim financial statements.

Amendments to FRS 8 Operating Segments

Amendments to FRS 8 requires an entity to disclose the judgements made by management in applying the aggregation criteria to operating segments. This includes a brief description of the operating segments that have been aggregated and the economic indicators that have been assessed in determining that the aggregated operating segments share similar economic characteristics.

The Amendments also clarifies that an entity shall provide reconciliations of the total of the reportable segments' assets to the entity's assets if the segment assets are reported regularly to the chief operating decision maker.

Amendments to FRS 11 Joint Arrangements

Amendments to FRS 11 clarifies that when an entity acquires an interest in a joint operation in which the activity of the joint operation constitutes a business, as defined in FRS 3 Business Combinations, it shall apply the relevant principles on business combinations accounting in FRS 3, and other FRSs, that do not conflict with FRS 11. Some of the impact arising may be the recognition of goodwill, recognition of deferred tax assets/liabilities and recognition of acquisition-related costs as expenses. The Amendments do not apply to joint operations under common control and also clarify that previously held interests in a joint operation are not re-measured if the joint operator retains joint control.

Amendments to FRS 13 Fair Value Measurement

Amendments to FRS 13 relates to the IASB's Basis for Conclusions which is not an integral part of the Standard. The Basis for Conclusions clarifies that when IASB issued IFRS 13, it did not remove the practical ability to measure short-term receivables and payables with no stated interest rate at invoice amounts without discounting, if the effect of discounting is immaterial.

The Amendments also clarifies that the scope of the portfolio exception of FRS 13 includes all contracts accounted for within the scope of FRS 139 *Financial Instruments: Recognition and Measurement* or FRS 9 Financial Instruments, regardless of whether they meet the definition of financial assets or financial liabilities as defined in FRS 132 *Financial Instruments: Presentation*.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 New FRSs, Amendments/Improvements to FRSs and New IC Interpretations ("IC Int") (Continued)

(b) New FRSs and Amendments/Improvements to FRSs that are issued, but not yet effective and have not been early adopted (Continued)

Amendments to FRS 101 Presentation of Financial Statements

Amendments to FRS 101 improves the effectiveness of disclosures. The Amendments clarifies guidance on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

Amendments to FRS 116 Property, Plant and Equipment

Amendments to FRS 116 clarifies the accounting for the accumulated depreciation/amortisation when an asset is revalued. It clarifies that:

- the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset; and
- the accumulated depreciation/amortisation is calculated as the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses.

Amendments to FRS 116 prohibits revenue-based depreciation because revenue does not reflect the way in which an item of property, plant and equipment is used or consumed.

Amendments to FRS 119 Employee Benefits

Amendments to FRS 119 provides a practical expedient in accounting for contributions from employees or third parties to defined benefit plans.

If the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the related service is rendered, instead of attributing the contributions to the periods of service.

However, if the amount of the contributions is dependent on the number of years of service, an entity is required to attribute those contributions to periods of service using the same attribution method required by FRS 119 for the gross benefit (i.e. either based on the plan's contribution formula or on a straight-line basis).

In addition, the Amendments clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability and the depth of the market for high quality corporate bonds should be assessed at a currency level.

Amendments to FRS 124 Related Party Disclosures

Amendments to FRS 124 clarifies that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity.

Amendments to FRS 127 Separate Financial Statements

Amendments to FRS 127 allows a parent and investors to use the equity method in its separate financial statements to account for investments in subsidiaries, joint ventures and associates, in addition to the existing options.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 New FRSs, Amendments/Improvements to FRSs and New IC Interpretations ("IC Int") (Continued)

(b) New FRSs and Amendments/Improvements to FRSs that are issued, but not yet effective and have not been early adopted (Continued)

Amendments to FRS 138 Intangible Assets

Amendments to FRS 138 introduces a rebuttable presumption that the revenue-based amortisation method is inappropriate (for the same reasons as per the Amendments to FRS 116). This presumption can be overcome only in the limited circumstances:

- in which the intangible asset is expressed as a measure of revenue, i.e. in the circumstance in which the predominant limiting factor that is inherent in an intangible asset is the achievement of a revenue threshold; or
- when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

Amendments to FRS 10 Consolidated Financial Statements and FRS 128 Investments in Associates and Joint Ventures

These Amendments address an acknowledged inconsistency between the requirements in FRS 10 and those in FRS 128, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the Amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not), as defined in FRS 3 Business Combinations. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

Amendments to FRS 10 Consolidated Financial Statements, FRS 12 Disclosures of Interests in Other Entities and FRS 128 Investments in Associates and Joint Ventures

These Amendments addresses the following issues that have arisen in the application of the consolidation exception for investment entities:

- Exemption from presenting consolidated financial statements:
the Amendments clarifies that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.
- Consolidation of intermediate investment entities:
the Amendments clarifies that only a subsidiary is not an investment entity itself and provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value.
- Policy choice for equity accounting for investments in associates and joint ventures:
the Amendments allows a non-investment entity that has an interest in an associate or joint venture that is an investment entity, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interest in subsidiaries, or to unwind the fair value measurement and instead perform a consolidation at the level of the investment entity associate or joint venture.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 New FRSs, Amendments/Improvements to FRSs and New IC Interpretations ("IC Int") (Continued)

(c) MASB Approved Accounting Standards, MFRSs

In conjunction with the planned convergence of FRSs with International Financial Reporting Standards as issued by the International Accounting Standards Board on 1st January 2012, the MASB had on 19th November 2011 issued a new MASB approved accounting standards, MFRSs ("MFRSs Framework") for application in the annual periods beginning on or after 1st January 2012.

The MFRSs Framework is mandatory for adoption by all Entities Other Than Private Entities for annual periods beginning on or after 1st January 2012, with the exception of entities subject to the application of MFRS 141 *Agriculture* and/or IC Int 15 *Agreements for the Construction of Real Estate* ("Transitioning Entities"). The Transitioning Entities are given an option to defer the adoption of MFRSs Framework and shall apply the MFRSs framework for annual periods beginning on or after 1st January 2017. Transitioning Entities also include those entities that consolidate or equity account or proportionately consolidate another entity that has chosen to continue to apply the FRSs framework for annual periods beginning on or after 1st January 2012.

Accordingly, the Group and the Company which are Transitioning Entities have chosen to defer the adoption of the MFRSs framework. As such, the Group and the Company will prepare their first MFRSs financial statements using the MFRSs framework for financial year ending 31st March 2018. The main effects arising from the transition to the MFRSs Framework are discussed below.

The effect is based on the Group's and the Company's best estimates at the reporting date. The financial effects may change or additional effects may be identified, prior to the completion of the Group's and the Company's first MFRSs based financial statements.

Application of MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards ("MFRS 1")

MFRS 1 requires comparative information to be restated as if the requirements of MFRSs have always been applied, except when MFRS 1 allows certain elective exemptions from such full retrospective application or prohibits retrospective application of some aspects of MFRSs.

The Group and the Company are currently assessing the impact of adoption of MFRS 1, including identification of the differences in existing accounting policies as compared to the new MFRSs and the use of optional exemptions as provided for in MFRS 1. As at the date of authorisation of issue of the financial statements, accounting policy decisions or elections have not been finalised. Thus, the impact of adoption of MFRS 1 cannot be determined and estimated reliably until the process is completed.

MFRS 15 Revenue from Contracts with Customers

The core principle of MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principle by applying the following steps:

- Identify the contracts with a customer.
- Identify the performance obligation in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognise revenue when (or as) the entity satisfies a performance obligation.

MFRS 15 also includes new disclosures that would result in an entity providing users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

The Group is currently assessing the impact of the adoption of this standard.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements:

(a) Basis of consolidation

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

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. 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 fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The transaction costs of the investments shall be recognised as expense in the profit or loss in the period in which the costs are incurred.

Under the purchase method of accounting, identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in the other comprehensive income. The cost of a business combination is measured as the aggregate of the fair values, and equity instruments issued, plus any cost directly attributable to the business combination. Any excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the statement of financial position. The accounting policy for goodwill is set out in Note 2.3 (i). Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in profit or loss on the date of acquisition. When the Group acquires a business, embedded derivatives separated from the host contract by the acquiree are reassessed on acquisition date unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Transaction costs for acquisition between 1st January 2006 and 1st January 2011, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

Transaction costs for acquisition on or after 1st January 2011 will no longer be capitalised as part of the cost of acquisition but will be expensed immediately.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(a) Basis of consolidation (Continued)

(ii) Non-controlling interests

Non-controlling interests represents the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in profit or loss of the Group within equity in the consolidated statement of financial position, separately from parent shareholders' equity. Transactions with non-controlling interests are accounted for using the entity concept method, whereby, transactions with non-controlling interests are accounted for as transactions with owners. On acquisition of non-controlling interests, the difference between the consideration and book value of the share of the net assets acquired is recognised directly in equity.

The losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have deficit balance. The change in accounting policy is applied prospectively in accordance with the transitional provisions of the standard and does not have impact on earnings per share.

Prior to 1st January 2011, where losses applicable to the non-controlling interests exceed the Company's interests in the equity of a subsidiary, the excess, and any further losses applicable to the non-controlling interest, were charged against the Group's interest except to the extent that the non-controlling interests had a binding obligation to, and was able to, make additional investment to cover the losses. If the subsidiary subsequently reported profits, the Group's interest was allocated with all such profits until the non-controlling interests' share of losses previously absorbed by the Group had been recovered.

(iii) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

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

Unrealised losses are eliminated in the same way as unrealised gain, but only to the extent that there is no evidence of impairment.

(iv) Associated companies

Associated companies are entities, including unincorporated entities, in which the Group exercises significant influence but not control, through participation in the financial and operating policy decision of the companies.

Investments in associated companies are accounted for in the consolidated financial statements by the equity method less any impairment losses, of accounting based on the audited or management financial statements of the associated companies unless it is classified as held for sale. Under the equity method of accounting, the Group's share of profits less losses of the associated companies during the financial year is included in the statements of comprehensive income, from the date that significant influence commences until the date that significant influence ceases. The Group's interest in the associated companies is carried in the consolidated statement of financial position at cost plus the Group's share of post-acquisition accumulated profits or accumulated losses and other reserves.

When the Group's share of losses exceeds its interest in an equity associate, the carrying amount of that interest (including any long term investment) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(b) Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

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 would flow to the Group and the cost of the asset could 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.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has different useful life, is depreciated separately.

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Long term leasehold land	Over the term of leases of 92 years
Plant and machinery	20%
Motor vehicles	20%
Furniture, fittings, equipment and renovation	10% - 25%

At the end of each reporting period, the carrying amount of an item of property, plant and equipment assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see Note 2.3(n) to the financial statements on impairment of non-financial assets).

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

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

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(c) Operating financial assets

The Group constructs or upgrade infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include infrastructure used in public-to-private service concession arrangement for its entire concession period.

The financial asset model is used when the Group has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

In the financial asset model, the amount due from the grantor meets the definition of a receivable which is measured at fair value. It is subsequently measured at amortised cost. The amount initially recognised plus the interest income on that amount is calculated using the effective interest method.

Any asset carried under concession arrangement is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

(d) Properties development activities

(i) Land held for property development

Land held for property development consists of land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at cost less accumulated impairment losses.

Land held for property development is transferred to property development costs (under current assets) when development activities have commenced and where the development activities can be completed within the Group's normal operating cycle.

(ii) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(d) Properties development activities (Continued)

(ii) Property development costs (Continued)

The excess of revenue recognised in the profit or loss over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in the profit or loss is classified as progress billings within trade payables.

Where revenue recognised in the profit or loss exceeds billings to purchasers, the balance is shown as accrued billings under trade and other receivables (within current assets). Where billings to purchasers exceed revenue recognised in the profit or loss, the balance is shown as progress billings under payables (within current liabilities).

(e) Investment properties

Investment properties are properties which are held to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services.

The Group has adopted the cost method in measuring investment properties. Investment properties are measured initially at its cost, including transaction cost. Subsequent to initial recognition, all properties are stated at cost less accumulated amortisation and impairment losses.

No depreciation is provided for freehold land. Freehold building is depreciated at the annual rate of 2%.

Long term leasehold land and building are amortised evenly over the period ranging from 50 to 97 years.

On disposal of such properties, the difference between net disposal proceeds and their carrying amounts is recognised in the profit or loss.

(f) Construction contracts

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the percentage of completion method. The percentage of completion is measured by reference to the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs or by reference to the physical completion of the contract.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue comprise the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

When the total of costs incurred on construction contracts plus, recognised profits (less recognised losses), exceeds progress billings, the balance is classified as amount due from customers on contracts. When progress billings exceed costs incurred plus, recognised profits (less recognised losses), the balance is classified as amount due to customers on contracts.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(g) Investments in subsidiary companies, associated companies and joint ventures

Investments in subsidiary companies and associated companies are stated at cost less impairment losses. The policy for recognition and measurement of impairment losses is in accordance with Note 3(n).

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is recognised in the profit or loss.

(h) Other investments

Other investments are stated at cost less impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.3(o).

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is recognised in the profit or loss.

(i) Goodwill

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

For acquisition prior to 1st January 2006, goodwill represents the excess of the cost of acquisition over the Group's interest in the fair values of the net identifiable assets and liabilities.

For acquisition between 1st January 2006 and 31st December 2010, goodwill represents the excess of the cost of the acquisition over the Group's net interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree.

For acquisition on or after 1st January 2011, the Group consider the following in measuring goodwill at the acquisition date:

- The fair value of the consideration transferred;
- The recognised amount of any non-controlling interests in the acquisition;
- If the business combination is achieved in stages, the fair value of the existing equity interest in the acquire; and
- The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

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

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

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

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(i) Goodwill (Continued)

As permitted under the transitional provision of FRS 121: The Effects of Changes in Foreign Exchange Rates, goodwill and fair value adjustments arising on the acquisition of foreign operation on or after 1st January 2006 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated in accordance with the accounting policy set out in Note 2.3 (w) (iii).

(j) Inventories

Raw materials, work-in-progress and finished goods are stated at the lower of cost and net realisable value. Cost is determined principally on a first-in, first-out basis (FIFO). Cost of work-in-progress and finished goods consist of direct materials, direct labour and direct overheads less foreseeable losses.

The cost of raw material comprises the original cost of purchase plus the cost of bringing the inventory to their present location and condition.

Property inventories are valued at the lower of cost and net realisable value. Cost is determined on average cost or specific identification basis. Cost of property inventories comprises the attributable costs of land and related development costs.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and selling expenses.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdraft and short term highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purposes of the statement of cash flows, cash and cash equivalents are presented net of bank overdraft and deposits pledged to licensed financial institutions.

(l) Treasury shares

The Company shares repurchased and held are designated as treasury shares. These shares are treated as unissued shares and presented as a deduction from total equity. Should such shares be cancelled, their nominal amounts will be eliminated and the differences between their cost and nominal amounts will be taken to reserves as appropriate.

(m) Financial assets

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

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

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

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(m) Financial assets (Continued)

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

Financial assets at fair value through profit or loss comprise financial assets that are held for trading (i.e. financial assets acquired principally for the purpose of resale in the near term), derivatives (both, freestanding and embedded) and financial assets that were specifically designated into this classification upon initial recognition.

Subsequent to initial recognition, financial assets classified as fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in the fair value of financial assets classified as fair value through profit or loss are recognised in profit or loss. Net gains or losses on financial assets classified as fair value through profit or loss exclude foreign exchange gains and losses, interest and dividend income. Such income is recognised separately in profit or loss as components of other income or other operating losses.

However, derivatives that are linked to and must be settled by delivery of unquoted equity instruments that do not have a quoted market price in an active market are recognised at cost.

(ii) *Held-to-maturity investments*

Financial assets classified as held-to-maturity comprise non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity.

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

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

(iii) *Loans and receivables*

Financial assets classified as loans and receivable comprise non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

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

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

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(m) Financial assets (Continued)

(iv) *Available-for-sale financial assets*

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

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

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

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

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired or 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 and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales is a purchases or sales of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention the marketplace concerned. All regular way purchases or sales of financial asset are recognised and derecognised, as applicable, using trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

(n) Impairment of non-financial assets

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

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

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

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(n) Impairment of non-financial assets (Continued)

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

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

(o) Impairment of financial assets

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

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

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

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

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

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

(ii) *Unquoted equity securities carried at cost*

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

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(o) Impairment of financial assets (Continued)

(iii) *Available-for-sale financial assets*

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

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

Impairment losses on available-for-sale equity instruments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss of 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.

(p) Financial guarantee contracts

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

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

(q) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group.

(r) Hire purchase and leases

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incident to ownership.

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum hire purchase or lease payments at the inception of the hire purchase or lease, less accumulated depreciation and impairment losses. The corresponding liability is included in the financial statements as borrowings. In calculating the present value of the minimum hire purchase or lease payments, the discount factor used is the interest rate implicit in the hire purchase or lease, when it is practicable to determine, otherwise, the Group's incremental borrowing rate is used.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(r) Hire purchase and leases (Continued)

Hire purchase or lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total hire purchase or leasing commitments and the fair value of the assets acquired, are charged to the financial statements over the term of the relevant hire purchase or lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for hire purchase or leased assets is consistent with that for depreciable property, plant and equipment as described in Note 2.3 (b).

(s) Provisions for liabilities

Provisions for liabilities are recognised when the Group have a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each financial statements date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

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

(t) Financial liabilities

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

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

(i) *Financial liabilities at fair value through profit or loss*

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

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

As at the end of the financial period, the Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(t) Financial liabilities (Continued)

(ii) *Other financial liabilities*

The Group's and the Company's other financial liabilities include trade payables, other payables, amount due to subsidiaries companies, amount due to Directors, debentures, term loans, bank overdraft, revolving credit, hire purchase payables and amount due to subsidiary companies.

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

Term loans, bank overdraft, revolving credit and hire purchase payables are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

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

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

(u) Revenue and other income

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

(i) *Construction contracts*

Revenue from construction contracts is accounted for by the stage of completion method as described in Note 2.3 (f).

(ii) *Property development*

Revenue from sale of properties is accounted for by the stage of completion method as described in Note 2.3 (d).

(iii) *Sale of goods and services*

Revenue from the sale of goods and services is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer or when services are rendered.

(iv) *Rental income*

Rental income is recognised on the accrual basis unless collectibility is in doubt, in which case the recognition of such income is suspended.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(u) Revenue and other income (Continued)

(v) *Dividend income*

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

(vi) *Concession arrangements*

Revenue for construction services provided under the concession arrangement for water treatment plants is recognised based on the percentage of completion.

When the Group invoices the customer during the operation phase of the concession period, it will apportion the amount to be collected from the invoice between:

- a repayment of the operating financial asset, which will be used to reduce the carrying amount of the operating financial asset on the statement of financial position;
- interest income, which will be recognised as finance income in the profit or loss;
- administrative fee received, which will be recognised based on monthly fixed fee and recognised when earned over the term of the concession; and
- revenue from bulk sale of treated water, which will be recognised in the profit and loss.

(v) Income tax

(i) *Current tax*

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

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

(ii) *Deferred Tax*

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

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

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(v) Income tax (Continued)

(ii) *Deferred tax (Continued)*

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

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable futures and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

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

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

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

(w) Foreign currency

(i) *Functional and presentation currency*

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

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(w) Foreign currency (Continued)

(ii) Foreign currency transactions

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

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

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

(iii) Foreign operations

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

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

The closing rates used in the translation are:

	Group	
	2015 RM	2014 RM
Papua New Guinea Kina	1.3865	1.1825

(x) Borrowing costs

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

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

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(y) Employee benefits

(i) Short term benefits

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

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred.

(iii) Termination benefits

The Group pays termination benefits in cases of termination of employment within the framework of a restructuring. Termination benefits are recognised as a liability and an expense which the Group has a detailed formal plan for the termination and is without realistic possibility of withdrawal.

(z) Segment reporting

For management purposes, the Group is organised into operating segments based on their business segment and geographical location which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 43, including the factors used to identify the reportable segments and the measurement basis of segment information.

(aa) 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 financial year. 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.

(ab) Share capital and share issuance expenses

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

Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

Notes to the Financial Statements (Cont'd)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

(ac) Fair value measurements

The Group adopted FRS 13 Fair Value Measurement which prescribed that fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability 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 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.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect in determining the amounts recognised in the financial statements include the following:

(a) Depreciation of property, plant and equipment

The estimates for the residual values, useful lives and related depreciation charges for the 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) Impairment of Goodwill

The Group determines whether goodwill is impaired on an annual basis. This requires an estimation of the value-in-use of the cash-generating units ("CGU") to which goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flow from the CGU and also choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the carrying value, the key assumptions applied in the impairment assessment of goodwill are given in Note 13.

As at the end of the reporting period, the Directors of the Company are of the opinion that there is no adjustment required resulting from the impairment review.

(c) Property development

When the financial outcome of the development activity can be estimated reliably and the sale of the development unit is affected, the Group recognises property development profits and costs by reference to the stage of completion of the development activity at the reporting date. The stage of completion is determined based on the proportion that the property development costs incurred to-date bear to the estimated total costs for the property development.

When the financial outcome of a development activity cannot be estimated reliably, property development revenue is recognised only to the extent of property development costs incurred that is probably will be recovered and the property development costs on the development units sold are recognised when incurred.

Notes to the Financial Statements (Cont'd)

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(c) Property development (Continued)

Where it is probable that total property development costs of a development phase will exceed total property development revenue of the development costs, the expected loss is recognised as an expense in the period in which the loss is identified.

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as recoverability of the property development costs. In making the judgement, the Group and the Company evaluates based on past experience, external economic factors, by relying on the work/opinion of specialists and continuous monitoring mechanism.

Adjustments based on the percentage-of-completion method are reflected in property development and contract revenue in the reporting period. To the extent that these adjustments result in a reduction or elimination of previously reported property development and contract revenue and costs, the Group recognise a charge or credit against current earnings and amounts in prior periods, if any, are not restated.

(d) Recognition of construction contracts profits

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

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

(e) Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise liabilities for expected tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(f) Deferred tax assets

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

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

Notes to the Financial Statements (Cont'd)

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(g) Impairment of loans and receivables

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

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Company's loans and receivables at the reporting date is disclosed in Notes 14 and 17.

(h) Revenue recognition in relation to Concession Arrangement

In accordance to IC Interpretation 12 Service Concession Agreements, the Group recognised the operating financial assets using financial asset model.

In the financial asset model, the amount due from the grantor meets the definition of a receivable which is measured at fair value. It is subsequently measured at amortised cost. The amount initially recognised plus the interest income on that amount is calculated using the effective interest method.

Significant judgement is required to apply a suitable effective interest rate in order to determine the present value of the operating financial asset. If the expectation is different from the estimation, such difference will impact the carrying value of the operating financial asset.

Notes to the Financial Statements (Cont'd)

4. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM	Leasehold land and building RM	Plant and machinery RM	Motor vehicles RM	Furniture, fittings, equipment and renovation RM	Total RM
Group 2015						
Cost						
At 1st April 2014	12,011	388,698	12,505,719	5,732,431	2,328,654	20,967,513
Additions	-	-	1,624,175	361,048	128,796	2,114,019
Exchange difference	-	57,120	35,957	-	51,149	144,226
Disposals/written off	-	-	(1,477,719)	(711,266)	(393,264)	(2,582,249)
At 31st March 2015	12,011	445,818	12,688,132	5,382,213	2,115,335	20,643,509
Accumulated depreciation						
At 1st April 2014	-	97,484	11,964,361	3,717,200	1,960,301	17,739,346
Charge for the year	-	3,909	272,834	611,006	138,016	1,025,765
Exchange difference	-	7,193	35,957	-	45,717	88,867
Disposals/written off	-	-	(1,477,715)	(711,263)	(372,200)	(2,561,178)
At 31st March 2015	-	108,586	10,795,437	3,616,943	1,771,834	16,292,800
Carrying amount						
At 31st March 2015	12,011	337,232	1,892,695	1,765,270	343,501	4,350,709
Group 2014						
Cost						
At 1st April 2013	12,011	1,051,423	13,346,597	6,840,166	2,340,203	23,590,400
Additions	-	-	580,000	998,218	78,683	1,656,901
Exchange difference	-	(84,000)	(52,878)	(125,068)	(75,450)	(337,396)
Transfer	-	(578,725)	-	-	-	(578,725)
Disposals/written off	-	-	(1,368,000)	(1,980,885)	(14,782)	(3,363,667)
At 31st March 2014	12,011	388,698	12,505,719	5,732,431	2,328,654	20,967,513
Accumulated depreciation						
At 1st April 2013	-	103,092	13,346,569	5,248,341	1,900,631	20,598,633
Charge for the year	-	4,055	38,667	543,846	139,031	725,599
Exchange difference	-	(9,663)	(52,878)	(104,814)	(65,878)	(233,233)
Disposals/written off	-	-	(1,367,997)	(1,970,173)	(13,483)	(3,351,653)
At 31st March 2014	-	97,484	11,964,361	3,717,200	1,960,301	17,739,346
Carrying amount						
At 31st March 2014	12,011	291,214	541,358	2,015,231	368,353	3,228,167

Notes to the Financial Statements (Cont'd)

4. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Plant and machinery RM	Motor vehicles RM	Furniture, fittings, equipment and renovation RM	Total RM
Company				
2015				
Cost				
At 1st April 2014	5,850,719	3,623,307	1,080,670	11,842,001
Additions	1,624,175	361,048	81,467	2,066,690
Disposals	(1,477,719)	(711,266)	(376,576)	(2,565,561)
At 31st March 2015	5,997,175	3,273,089	785,561	11,343,130
Accumulated depreciation				
At 1st April 2014	5,850,700	2,404,849	921,653	10,635,545
Charge for the year	156,834	410,992	65,571	633,397
Disposals	(1,477,715)	(711,263)	(360,641)	(2,549,619)
At 31st March 2015	4,529,819	2,104,578	626,583	8,719,323
Carrying amount				
At 31st March 2015	1,467,356	1,168,511	158,978	2,794,845
2014				
Cost				
At 1st April 2013	6,443,719	4,333,253	1,065,029	11,842,001
Additions	-	593,165	25,039	618,204
Disposals	(593,000)	(1,303,111)	(9,398)	(1,905,509)
At 31st March 2014	5,850,719	3,623,307	1,080,670	10,554,696
Accumulated depreciation				
At 1st April 2013	6,443,698	3,324,600	867,247	10,635,545
Charge for the year	-	383,352	63,800	447,152
Disposals	(592,998)	(1,303,103)	(9,394)	(1,905,495)
At 31st March 2014	5,850,700	2,404,849	921,653	9,177,202
Carrying amount				
At 31st March 2014	19	1,218,458	159,017	1,377,494

Notes to the Financial Statements (Cont'd)

4. PROPERTY, PLANT AND EQUIPMENT (Continued)

- (a) During the financial year, the Group and the Company acquired property, plant and equipment with an aggregate cost of RM2,114,019 (2014: RM1,656,901) and RM2,066,690 (2014: RM618,204) of which RM1,699,683 (2014: RM1,323,886) and RM1,699,683 (2014: RM360,833) were acquired by means of hire purchase arrangements. Cash payments of RM414,336 (2014: RM559,901) and RM858,691 (2014: RM319,204) were used to acquire the property, plant and equipment.
- (b) Included in property, plant and equipment of the Group and of the Company are motor vehicles acquired under hire purchase arrangements at net book value of RM1,442,030 (2014: RM1,522,823) and RM902,410 (2014: RM875,232) respectively.
- (c) The depreciation of property, plant and equipment charged for the year is as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Amount due from contract customers (Note 14)	263,431	77,445	263,431	77,445
Profit before taxation (Note 36)	762,334	648,154	369,966	369,707
	1,025,765	725,599	633,397	447,152

- (d) Included in property, plant and equipment of the Group and of the Company are costs of the following fully depreciated assets which are still in use:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Plant and machinery	10,483,957	11,925,718	4,373,000	5,850,718
Motor Vehicle	2,209,570	2,449,570	1,103,502	1,343,502
Furniture, fittings, equipment and renovation	1,448,706	1,669,546	478,300	798,419
	14,142,233	16,044,834	5,954,802	7,992,639

5. OPERATING FINANCIAL ASSETS

	Group	
	2015 RM	2014 RM
At 1st April	93,255,661	131,276,870
Interest income	13,422,410	15,984,937
Payment by grantor	(29,948,400)	(28,085,400)
Exchange difference	17,153,931	(25,920,746)
At 31st March	93,883,602	93,255,661
Net carrying amount		
Non-current	76,089,395	80,070,219
Current	17,794,207	13,185,442
	93,883,602	93,255,661

Notes to the Financial Statements (Cont'd)

5. OPERATING FINANCIAL ASSETS (Continued)

The Group has concession arrangements with a governing body of the government of Papua New Guinea (the "grantor") to operate water treatment plants. Under the concession agreements, the Group will construct and operate the plants and water distribution networks for a Concession Period of 22 years commencing 1997 and transfer the plant to the grantor at the end of the Concession Period ending 2019. Such concession arrangements fall within the scope of IC Interpretation 12, Service Concession Arrangements.

The financial asset model is used when the Group has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

In the financial asset model, the amount due from the grantor meets the definition of a receivable which is measured at fair value. It is subsequently measured at amortised cost. The amount initially recognised plus the interest income on that amount is calculated using the effective interest method.

Under IC Interpretation 12, the revenue is recognised based on Note 2.3(u)(vi).

6. LAND HELD FOR PROPERTY DEVELOPMENT

	Freehold land RM	Leasehold land RM	Development expenditure RM	Total RM
Group				
At 1st April 2013	90,454,038	124,209,668	26,183,968	240,847,674
Additions	1,285,390	-	8,797,833	10,083,223
At 31st March 2014	91,739,428	124,209,668	34,981,801	250,930,897
Additions	25,461,525	-	15,603,118	41,064,643
At 31st March 2015	117,200,953	124,209,668	50,584,919	291,995,540

	Freehold land RM	Development expenditure RM	Total RM
Company			
At 1st April 2014	32,305,486	1,497,436	33,802,922
Additions	-	53,336	53,336
At 31st March 2015	32,305,486	1,550,772	33,856,258

- Included in land held for property development of the Group is interest expense capitalised of RM12,748,369 (2014: RM8,488,392).
- The land held for property development of the Group with carrying value of RM142,884,173 (2014: RM142,884,173) has been pledged as security for a financing facility as disclosed in Note 27 of the financial statements.

Notes to the Financial Statements (Cont'd)

7. INVESTMENT PROPERTIES

	Freehold Land RM	Long term leasehold Land RM	Buildings RM	Total RM
Group				
2015				
Cost				
At 1st April 2014	40,709	33,791,788	92,107,913	125,940,410
Additions	-	-	245,882	245,882
Disposals	-	-	-	-
At 31st March 2015	40,709	33,791,788	92,353,795	126,186,292
Accumulated depreciation				
At 1st April 2014	-	4,344,974	11,152,670	15,363,592
Charge for the year	-	422,316	2,063,637	2,485,953
Disposals	-	-	-	-
At 31st March 2015	-	4,767,290	13,216,307	17,849,545
Carrying amount				
At 31st March 2015	40,709	29,024,498	79,137,488	108,336,747
2014				
Cost				
At 1st April 2013	40,709	33,791,788	91,988,390	125,820,887
Additions	-	-	119,523	119,523
Disposals	-	-	-	-
At 31st March 2014	40,709	33,791,788	92,107,913	125,940,410
Accumulated depreciation				
At 1st April 2013	-	3,922,658	8,962,290	12,884,948
Charge for the year	-	422,316	2,056,328	2,478,644
Disposals	-	-	-	-
At 31st March 2014	-	4,344,974	11,018,618	15,363,592
Carrying amount				
At 31st March 2014	40,709	29,446,814	81,089,295	110,576,818

- (a) The fair value of the investment properties are determined by the Directors based on the relevant information available through internal research and their best estimates.

The valuation method involves discounted cash flows which considers the present value of net cash flows to be generated from the properties, taking into account expected rental growth rate and occupancy rate. The expected net cash flows are discounted using weighted average cost of capital.

Notes to the Financial Statements (Cont'd)

7. INVESTMENT PROPERTIES (Continued)

(b) Fair value of investment properties for the Group is categorised as follows:

	Total	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3
2015				
Group				
Asset for which fair value is disclosed				
Freehold land	83,000	-	-	83,000
Long term leasehold land	58,391,000	-	-	58,391,000
Buildings	86,830,000	-	-	86,830,000
	145,304,000	-	-	145,304,000
2014				
Group				
Asset for which fair value is disclosed				
Freehold land	83,000	-	-	83,000
Long term leasehold land	57,310,000	-	-	57,310,000
Buildings	84,697,000	-	-	84,697,000
	142,090,000	-	-	142,090,000

(c) The following are recognised in profit or loss in respect of investment properties:

	Group	
	2015 RM	2014 RM
Rental income	14,537,906	14,008,668
Direct operating expenses:		
- income generating investment properties	(10,175,457)	(11,625,638)
- non-income generating investment properties	(1,201,007)	(649,403)
	3,161,442	1,733,627

(d) The total net carrying amount of a long term leasehold land and a building of a subsidiary amounting to RM110,544,848 (2014: RM111,900,994) are pledged to financial institutions as collaterals for banking facilities as disclosed in Note 27.

8. INVESTMENT IN SUBSIDIARIES

	Company	
	2015 RM	2014 RM
Unquoted shares at cost	92,127,211	94,248,469
Less: Disposal during the year	(705,122)	(2,121,258)
	91,422,089	92,127,211
Less: Allowance for impairment loss	(2,800,000)	(2,800,000)
	88,622,089	89,327,211

Notes to the Financial Statements (Cont'd)

8. INVESTMENT IN SUBSIDIARIES (Continued)

The details of the subsidiaries are as follows:

Name of Company	Effective equity interest		Country of Incorporation	Principal activities
	2015 %	2014 %		
Direct				
Brem Construction Sdn Bhd. #	100.00	100.00	Malaysia	Civil engineering and general construction.
Brem Aluminium & Glass Sdn Bhd. #	100.00	100.00	Malaysia	Dormant.
Brem Maju Sdn Bhd. #	50.25	50.25	Malaysia	Civil engineering and general construction.
Brem Oversea Investments Pte Ltd. #	70.00	70.00	Hong Kong	Dormant.
Cosmo-One Realty Sdn Bhd. #	100.00	100.00	Malaysia	Property investment.
Global Water Sdn Bhd.	100.00	100.00	Malaysia	Investment holding.
Harmony Property Sdn Bhd.	75.00	75.00	Malaysia	Property development.
Intan Kemuncak Sdn Bhd. #	100.00	100.00	Malaysia	Dormant.
Naga Istimewa Sdn Bhd.	100.00	100.00	Malaysia	Property development, contractor and investment holding.
Titi Kaya Sdn Bhd. #	48.33	50.53	Malaysia	Property development and investment holding.
Indirect through Titi Kaya Sdn Bhd				
Eng Ann Realty Co. (Klang) Sdn Bhd. #	48.33	50.53	Malaysia	Property development.
Wonderful Perfection Sdn Bhd. #	29.00	30.32	Malaysia	Property development.
NPO Builders Sdn Bhd. #	24.65	25.77	Malaysia	Property development.
Indirect through Global Water Sdn Bhd				
PNG Water Limited #	51.00	51.00	Papua New Guinea	Water concession.
Indirect through Brem Maju Sdn Bhd				
Brem Maju (PNG) Limited #	50.25	50.25	Papua New Guinea	Civil engineering and general construction.

Audited by audit firms other than Baker Tilly Monteiro Heng.

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

	TKSB	
	2015 RM	2014 RM
NCI percentage of ownership interest and voting interest	51.67%	49.47%
Carrying amount of NCI	9,646,416	7,414,429
Profit/(loss) allocated to NCI	1,631,987	(29,620)
Summarised financial information before intra-group elimination		
Non-current assets	82,618,315	81,261,233
Current assets	43,858,301	41,568,902
Non-current liabilities	-	-
Current liabilities	(10,035,196)	(29,901,679)
Net assets	116,441,420	92,928,456

Notes to the Financial Statements (Cont'd)

8. INVESTMENT IN SUBSIDIARIES (Continued)

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

	TKSB	
	2015 RM	2014 RM
Summarised financial information before intra-group elimination (Continued)		
Revenue	35,595,626	25,801,677
Profit for the year	23,512,964	4,059,224
Total comprehensive income	23,512,964	4,059,224
Cash flows from/(used in) operating activities	3,980,663	(80,928)
Cash flows used in investing activities	(1,495)	(5,215)
Cash flows used in financing activities	(1,561)	(6,981)
Net increase in cash and cash equivalents	3,977,607	(93,124)
Dividends paid to NCI	-	-

(b) On 31st December 2014, the Group disposed of 114,000 ordinary shares of RM1.00 each representing 2.2% of the equity interest in Titi Kaya Sdn Bhd. ("TKSB") for a total sale consideration of RM1,892,400. The principal place of business of TKS B is located at 3rd Floor, Brem House, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan.

The disposal has reduced the equity interest of the Group in TKS B from 50.5% to 48.3%. Even though the Group holds less than half of the voting rights of TKS B, the Group retains its existing rights which includes the ability to direct the relevant activities of the Company. This is by virtue of TKS B's Board of Directors composition where it is wholly represented by two Directors from the Group. Hence, TKS B remains a subsidiary of the Group.

9. INVESTMENT IN ASSOCIATES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
At cost				
Unquoted shares	6,247,000	1,200,000	5,047,000	-
Quoted shares in Malaysia	-	60,293,541	-	60,293,541
Share of post acquisition (loss)/profit	(1,598,691)	6,408,061	-	-
Share of capital reserve	-	3,884,536	-	-
	4,648,309	71,786,138	5,047,000	60,293,541
Less: Allowance for impairment loss	-	(9,973,541)	-	(9,973,541)
	4,648,309	61,812,597	5,047,000	50,320,000
At market value				
Quoted shares in Malaysia	-	50,320,000	-	50,320,000
Represented by:				
Share of net assets other than goodwill	4,067,612	56,728,901		
Goodwill on acquisition	580,697	15,057,237		
	4,648,309	71,786,138		
Less: Allowance for impairment loss	-	(9,973,541)		
	4,648,309	61,812,597		

Notes to the Financial Statements (Cont'd)

9. INVESTMENT IN ASSOCIATES (Continued)

(a) The summarised financial information of the associates are as follows:

	Group	
	2015 RM	2014 RM
Assets and liabilities		
Total assets	238,065,961	231,485,087
Total liabilities	220,773,069	59,042,389
Results		
Revenue	526,029	28,829,757
(Loss)/profit for the financial year	(1,341,414)	7,080,547

(b) The details of the associates are as follows:

Name of Company	Effective equity interest		Country of Incorporation	Principal activities
	2015 %	2014 %		
Topaz Teguh Sdn Bhd	49.00	49.00	Malaysia	Operators of bowling and snooker centre.
Bertam Alliance Berhad *	-	32.89	Malaysia	Investment holding and management services.
GJH Ventures Sdn Bhd #	49.00	-	Malaysia	Investment holding
GJH Prestige Sdn Bhd #	49.00	-	Malaysia	Investment holding

* Disposed during the financial year as disclosed in Note 44.

Acquired during the financial year as disclosed in Note 44.

(c) The Group has not recognised losses relating to Topaz Teguh Sdn. Bhd. where its shares of losses exceeds the Group's interest in this associate. The Group's cumulative share of unrecognised losses at 31st March 2015 was RM133,510 (2014: Nil). The share of the current year's unrecognised losses amounts to RM133,510 (2014: Nil).

10. INVESTMENT IN JOINT VENTURES

The Group has 50% (2014: nil) equity interest in a jointly-controlled entity, Jade Square Sdn. Bhd. ("JSSB") and United Allied Master Sdn. Bhd. ("UAMSB") that are held through a subsidiary. These joint ventures are incorporated in Malaysia and are in the business of property development.

Notes to the Financial Statements (Cont'd)

10. INVESTMENT IN JOINT VENTURES (Continued)

The aggregate amounts of each of the current assets, non-current assets, current liabilities and non-current liabilities, income and expenses related to the Group's interests in the jointly-controlled entity are as follows:

	JSSB and UAMSB 2015 RM
Assets and liabilities	
Non-current assets	-
Current assets	8,416,400
Total assets	8,416,400
Current liabilities	8,400,000
Non-current liabilities	-
Total liabilities	8,400,000
Income and expenses	
Income	-
Expenses	3,600

11. OTHER INVESTMENTS

	Quoted RM	Unquoted RM	Total RM
Group			
2015			
Non-current			
Available-for-sale financial assets	23,097,408	-	23,097,408
Held-to-maturity investments	-	595,445	595,445
	23,097,408	595,445	23,692,853
Market value of quoted investment	23,097,408	-	23,097,408
2014			
Non-current			
Held-to-maturity investments	-	595,445	595,445
	-	595,445	595,445
Market value of quoted investment	-	-	-
Company			
2015			
Non-current			
Available-for-sale financial assets	23,097,408	-	23,097,408
	23,097,408	-	23,097,408
Market value of quoted investment	23,097,408	-	23,097,408
2014			
Non-current			
Available-for-sale financial assets	-	-	-
	-	-	-
Market value of quoted investment	-	-	-

Notes to the Financial Statements (Cont'd)

12. DEFERRED TAX ASSETS/(LIABILITIES)

	Unrealised profit on intercompany transaction RM	Unabsorbed loss and capital allowance RM	Others RM	Total RM
Group				
Deferred tax assets				
At 1st April 2014	3,073,309	423,716	9,407	3,506,432
Recognised in profit or loss	270,102	(17,040)	-	253,062
Exchange difference	-	-	74,857	74,857
At 31st March 2015	3,343,411	406,676	84,264	3,834,351
At 1st April 2013	3,073,309	471,388	126,915	3,671,612
Recognised in profit or loss	-	(47,672)	-	(47,672)
Exchange difference	-	-	(117,508)	(117,508)
At 31st March 2014	3,073,309	423,716	9,407	3,506,432
	Revaluation surplus RM	Accelerated capital allowances RM	Others RM	Total RM
Group				
Deferred tax liabilities				
At 1st April 2014	4,928,997	9,023,606	(591,210)	13,361,393
Recognised in profit or loss	-	(3,377,052)	(13,194)	(3,390,246)
Exchange difference	-	-	(794,559)	(794,559)
At 31st March 2015	4,928,997	5,646,554	(1,398,963)	9,176,588
At 1st April 2013	4,990,322	8,283,885	713,539	13,987,746
Recognised in profit or loss	(61,325)	739,721	-	678,396
Exchange difference	-	-	(1,304,749)	(1,304,749)
At 31st March 2014	4,928,997	9,023,606	(591,210)	13,361,393
			2015 RM	2014 RM
Company				
Deferred tax liabilities				
At 1st April			67,100	67,100
Recognised in profit or loss			162,387	-
At 31st March 2015			229,487	67,100
Representing the tax effect of:				
- Property, plant and equipment			242,681	67,100
- Provision for annual leave			(13,194)	-
			229,487	67,100

Notes to the Financial Statements (Cont'd)

13. GOODWILL ON CONSOLIDATION

	Group	
	2015 RM	2014 RM
At 1st April/31st March	33,257,325	33,257,325

(a) The carrying amount of the goodwill allocated to each cash generating units ("CGUs") are as follows:

	Group	
	2015 RM	2014 RM
Property development segment	23,762,410	23,762,410
Property investment segment	7,818,799	7,818,799
Other segment	1,676,116	1,676,116
	33,257,325	33,257,325

(b) The recoverable amounts of the CGUs have been determined based on the value in use calculations using cash flow projections approved by the management. Value in use was determined by discounting future cash flows over a five year period expected to be generated from continuing use of the respective CGUs.

(c) The calculation of value in use for the respective CGUs are most sensitive to the following assumptions:

Key assumptions	Property development	Property investment	Others
Discount rate	6%	5%	6%
Revenue projection	Number of development units sold and progress of development	Rental rates and occupancy rates	Management's past experience

The directors believe that no reasonably possible change in any of the above key assumptions would cause the carrying values of the CGU to materially exceed their recoverable amounts.

14. TRADE RECEIVABLES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Non-current assets				
Contract retention	-	199,527	-	-
Trade receivables	-	433,915	-	-
	-	633,442	-	-
Current assets				
Contract retention	2,186,424	3,679,553	-	1,269,767
Trade receivables	20,180,493	28,047,922	637,812	9,652,388
Accrued billings	-	5,964,819	-	-
Amount due from contract customers	644,618	2,053,489	644,618	1,436,726
	23,011,535	39,745,783	1,282,430	12,358,881
Total trade receivables	23,011,535	40,379,225	1,282,430	12,358,881

Notes to the Financial Statements (Cont'd)

14. TRADE RECEIVABLES (Continued)

The Group's and the Company's normal trade credit terms ranges from 14 to 105 (2014: 14 to 105) days. Other credit terms are assessed and approved on a case-by-case basis.

Included in trade receivables of the Group is nil (2014: RM633,442) owing by a company in which a Director of the Company has interest in.

The ageing analysis of the Group's and of the Company's trade receivables and contract retention are as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Neither past due nor impaired	23,848	1,270,115	-	1,269,766
Past due but not impaired				
1 to 30 days	8,353,991	16,466,380	320,000	1,551,366
31 to 60 days	1,780,939	1,448,768	-	-
61 to 90 days	1,414,601	262,864	-	-
91 to 120 days	4,045,153	1,293,346	-	-
More than 120 days	6,748,385	11,619,444	317,812	8,101,023
	22,343,069	31,090,802	637,812	9,652,389
	22,366,917	32,360,917	637,812	10,922,155

Receivables that are neither past due nor impaired

Trade receivables and contract retention that are neither past due nor impaired are creditworthy receivables with good payment records with the Group and the Company. More than 51% (2014: 51%) of the Group's trade receivables and contract retention respectively arise from customers with more than a year experience with the Group and losses have occurred infrequently.

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

Receivables that are past due but not impaired

The Group and the Company have trade receivables and contract retention amounting to RM22,343,069 (2014: RM31,090,802) and RM637,812 (2014: RM9,652,389) respectively that are past due at the reporting date but no impairment allowance is necessary in respect of these trade receivables. They are companies with good collection track record and no recent history of default.

Notes to the Financial Statements (Cont'd)

14. TRADE RECEIVABLES (Continued)

The following shows the elements included in amount due from/(to) contract customers:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Total contract costs incurred to date	71,884,355	60,793,172	21,004,002	32,046,744
Add: attributable profits	6,099,124	6,471,083	2,205,787	3,506,961
	77,983,479	67,264,255	23,209,789	35,553,705
Less: progress billings	(79,171,004)	(72,693,698)	(33,017,619)	(38,818,320)
	(1,187,525)	(5,429,443)	(9,807,830)	(3,264,615)
Analysed as follows:				
Amount due from contract customers	644,618	2,053,489	644,618	1,436,726
Amount due to contract customers (Note 28)	(1,832,143)	(7,482,932)	(10,452,448)	(4,701,341)
	(1,187,525)	(5,429,443)	(9,807,830)	(3,264,615)

The following expenses incurred during the financial year are included in the contract costs:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Depreciation of plant and equipment	263,431	77,445	263,431	77,445
Hire of machinery and equipment	405,734	246,584	135,954	41,550
Rental of premises	36,690	15,200	12,000	5,600
Staff costs	5,632,470	2,364,822	2,987,852	1,514,199

The following shows the elements included in accrued billings/(progress billings) in respect of property development costs:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Revenue recognised in the profit or loss	2,132,230	38,609,794	2,132,230	1,840,230
Less: Billings to purchasers	(3,025,549)	(33,470,294)	(3,025,549)	(2,665,549)
	(893,319)	5,139,500	(893,319)	(825,319)
Analysed as follows:				
Accrued billings	-	5,964,819	-	-
Progress billings (Note 28)	(893,319)	(825,319)	(893,319)	(825,319)
	(893,319)	5,139,500	(893,319)	(825,319)

Notes to the Financial Statements (Cont'd)

15. PROPERTY DEVELOPMENT COSTS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Freehold land at cost				
At 1st April	56,644,692	46,423,294	6,766,133	6,766,133
Cost incurred during the financial year	2,554,196	15,377,329	-	-
Reversal of completed projects	(439,254)	(5,155,931)	-	-
At 31st March	58,759,634	56,644,692	6,766,133	6,766,133
Development costs				
At 1st April	61,366,928	135,598,068	8,081,262	7,817,244
Cost incurred during the financial year	27,529,483	62,881,846	1,512,899	264,018
Reversal of completed projects	(41,737,764)	(137,112,986)	-	-
At 31st March	47,158,647	61,366,928	9,594,161	8,081,262
Property development cost as at 31st March	105,918,281	118,011,620	16,360,294	14,847,395
Cost recognised in profit or loss				
At 1st April	(29,349,913)	(112,524,903)	(1,618,752)	(1,618,752)
Recognised during the financial year	(12,127,721)	(60,961,911)	(161,825)	-
Reversal	-	(2,180,500)	-	-
Unsold units transferred	(13,118,427)	(1,063,054)	-	-
Reversal of completed projects	50,460,054	147,380,455	-	-
At 31st March	(4,136,007)	(29,349,913)	(1,780,577)	(1,618,752)
Total property development costs at 31st March	101,782,274	88,661,707	14,579,717	13,228,643
Property development cost at 31st March				
Freehold land	44,045,608	56,644,692	6,766,133	6,766,133
Development costs	57,736,666	32,017,015	7,813,584	6,462,510
	101,782,274	88,661,707	14,579,717	13,228,643

- (a) Included in development costs incurred during the financial year is interest expense capitalised of RM2,456,614 (2014: RM27,079).
- (b) The freehold land under development of the Group and of the Company amounting to RM5,286,111 (2014: RM3,915,090) and RM2,466,202 (2014: RM1,158,453) respectively are pledged to financial institutions as collaterals for banking facilities.

16. INVENTORIES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
At cost				
Raw materials	302,850	385,298	302,850	385,298
Completed properties	25,304,251	12,849,879	11,786,824	11,786,824
	25,607,101	13,235,177	12,089,674	12,172,122

Notes to the Financial Statements (Cont'd)

16. INVENTORIES (Continued)

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Recognised in profit or loss:				
Inventories recognised as cost of sales	1,145,503	409,015	82,448	409,015

The Group has pledged industrial land amounting to RM2,466,202 (2014: RM1,158,453) as security for bank overdraft facilities as disclosed in Note 27.

17. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Other receivables	5,355,617	5,292,247	302,769	392,775
Deposits	1,377,407	1,273,598	611,725	593,565
Prepayments	130,791	39,829	95,678	4,493
	6,863,815	6,605,674	1,010,172	990,833

18. AMOUNT DUE FROM SUBSIDIARIES

	Company	
	2015 RM	2014 RM
Trade	72,140,595	59,448,380
Non-trade	103,870,197	54,672,180
	176,010,792	114,120,560

The non-trade amount due from subsidiaries are unsecured, interest free and repayable on demand, except for amount owing by certain subsidiaries which bears interest at the rate of 2% (2014: 2%) per annum above the bank base lending rate.

The trade credit term is as disclosed in Note 14.

19. AMOUNT DUE FROM ASSOCIATES

The amount due from associates is unsecured, interest free and repayable upon demand. These advances are repayable from the cash flows generated by the property development activities undertaken by the associates.

20. AMOUNT DUE FROM JOINT VENTURES

The amount due from joint ventures is unsecured, interest free and repayable upon demand. These advances are repayable from the cash flows generated by the property development activities undertaken by the joint ventures.

Notes to the Financial Statements (Cont'd)

21. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

(a) The interest rates of deposits and the maturities of deposits as at the end of the financial year were as follows:

	Group		Company	
	2015	2014	2015	2014
Interest rates (%) per annum	0.65-3.15	0.35-3.00	3.00	3.00
Maturity months	1 to 12	1 to 12	1	12

(b) Deposits of RM2,392,679 (2014: RM728,510) of the Group is pledged to financial institutions as security for banking facilities granted to the Group.

22. CASH AND BANK BALANCES

Included in the bank balances of the Group is RM2,822,432 (2014: RM6,173,247) which is maintained pursuant to the Housing Development (Housing Development Account) Regulations 1991.

23. SHARE CAPITAL

	Group and Company			
	2015		2014	
	Number of shares	RM	Number of shares	RM
Authorised:				
Ordinary shares of RM0.50/RM1 each	500,000,000	250,000,000	250,000,000	250,000,000
Issued and fully paid:				
Ordinary shares of RM0.50/RM1 each:				
At 1st April	172,736,172	172,736,172	172,736,172	172,736,172
Shares split	172,736,172	-	-	-
At 31st March	345,472,344	172,736,172	172,736,172	172,736,172

On 4th August 2014, the Company announced a share split. Details are as disclosed in Note 44(c)(i).

Notes to the Financial Statements (Cont'd)

24. RESERVES

		Group		Company	
		2015 RM	2014 RM	2015 RM	2014 RM
Non-distributable					
Capital reserve	(a)	-	3,884,536	-	-
Exchange fluctuation reserve	(b)	3,833,332	(6,706,783)	-	-
		3,833,332	(2,822,247)	-	-
Distributable					
Retained earnings		344,925,556	309,552,569	195,930,452	162,479,279
		348,758,888	306,730,322	195,930,452	162,479,279

(a) Capital reserve

The capital reserve is in respect of the share of reserve in an associate which was realised in retained earnings as the associate was disposed of during the financial year.

(b) Exchange fluctuation reserve

The exchange fluctuation reserve comprises foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than RM.

25. TREASURY SHARES

	Group and Company			
	2015		2014	
	Number of shares	RM	Number of shares	RM
At 1st April	4,549,031	5,461,482	3,673,231	4,459,977
Purchased during the financial year	2,881,500	4,688,230	875,800	1,001,505
Shares split	5,831,031	-	-	-
At 31st March	13,261,562	10,149,712	4,549,031	5,461,482

During the financial year, the Company repurchased 2,881,500 (2014: 875,800) ordinary shares comprising of 1,282,000 ordinary shares of RM1.00 each and 1,599,500 ordinary shares of RM0.50 each, of its issued ordinary shares from open market at an average price of RM1.63 (2014: RM1.16) per share. The total consideration paid for the purchase including transaction costs was RM4,688,230 (2014: RM1,001,505) and this was financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965 in Malaysia. Treasury shares have no rights to vote, not entitled to dividends and participation in other distribution.

As at 31st March 2015, the total issued and fully paid ordinary share amounts to 345,472,344 (2014: 172,736,172) and the treasury shares held by the Company amounts to 13,261,562 (2014: 4,549,031). The number of outstanding ordinary shares in issue after the set-off of the treasury shares is therefore 332,210,782 (2014: 168,187,141) ordinary shares of RM0.50/RM1 each.

Notes to the Financial Statements (Cont'd)

26. HIRE PURCHASE PAYABLES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Minimum hire purchase payments:				
Within 1 year	1,084,932	682,411	696,510	286,300
More than 1 year but less than 5 years	1,190,324	1,154,254	905,259	480,769
	2,275,256	1,836,665	1,601,769	767,069
Less: Future finance charges	(132,484)	(134,508)	(99,070)	(57,530)
Present value of hire purchase	2,142,772	1,702,157	1,502,699	709,539
Present value of hire purchase:				
Within 1 year	996,796	612,000	634,948	259,453
More than 1 year but less than 5 years	1,145,976	1,090,157	867,751	450,086
	2,142,772	1,702,157	1,502,699	709,539
Analysed as:				
Due within 1 year	996,796	612,000	634,948	259,453
Due after 1 year	1,145,976	1,090,157	867,751	450,086
	2,142,772	1,702,157	1,502,699	709,539

The hire purchase liabilities bear interest between 2.35% to 3.20% (2014: 2.35% to 3.69%) per annum.

27. BANK BORROWINGS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Short Term Borrowings				
<i>Secured:</i>				
Term loans	9,225,896	18,562,648	-	-
Bank overdraft	4,638,535	2,847,232	2,413,323	291,140
<i>Unsecured:</i>				
Bank overdraft	-	-	-	-
Revolving credit	-	5,000,000	-	5,000,000
	13,864,431	26,409,880	2,413,323	5,291,140
Long Term Borrowings				
<i>Secured:</i>				
Term loans	83,994,152	83,770,492	-	-
Total Borrowings				
Term loans	93,220,048	102,333,140	-	-
Bank overdraft	4,638,535	2,847,232	2,413,323	291,140
Revolving credit	-	5,000,000	-	5,000,000
	97,858,583	110,180,372	2,413,323	5,291,140

Notes to the Financial Statements (Cont'd)

27. BANK BORROWINGS (Continued)

(a) Term loans

The secured term loans of the Group are obtained from local financial institutions. The term loans are secured as follows:

Local secured term loans

- (i) Legal charge on a long term leasehold land and building of a subsidiary (Note 7);
- (ii) Debenture incorporating a fixed and floating charges for all monies owing or payable under facility over all present and future of a subsidiary;
- (iii) Assignment of all right, title and interest derived from tenancy agreement in respect certain properties of a subsidiary;
- (iv) Corporate guarantee of the Company; and
- (v) First charge on industrial land and freehold land of a subsidiary (Note 6).

The local term loans bears interest rate ranging from 0.5% to 1.75% (2014: 0.5% to 1.75%) per annum above the financial institution's base lending rate.

The local term loans are repayable in:

- (i) 72 instalments after 2 years from the initial drawdown.
- (ii) 12 quarterly instalments after 3 years from the initial drawdown; and
- (iii) 48 instalments after 3 years from the initial drawdown.

(b) Bank overdrafts

The secured bank overdrafts of the Group and of the Company are obtained from local financial institutions and are secured as follows:

- (i) Legal charges over the freehold land under development of the Group and of the Company of RM3,915,090 (2014: RM3,915,090) and RM1,158,453 (2014: RM1,158,453) at cost respectively; and
- (ii) Facility agreement and corporate guarantee of the Company.

The bank overdrafts bear interest ranging from 1.75% to 2.5% (2014: 1.75% to 2.5%) per annum above the respective financial institutions' base lending rates.

(c) Revolving credit

The revolving credit of the Company bears interest of 2% (2014: 2%) per annum above financial institutions' cost of funds.

The revolving credit of the Company is repayable on demand.

28. TRADE PAYABLES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Contract retention	3,279,382	3,279,612	2,519,595	2,882,795
Trade payables	13,761,850	6,366,824	5,488,487	1,377,295
Amount due to contract customers (Note 14)	1,832,143	7,482,932	10,452,448	4,701,341
Progress billings in respect of property development costs (Note 14)	893,319	825,319	893,319	825,319
	19,766,694	17,954,687	19,353,849	9,786,750

The normal trade credit term granted to the Group and to the Company ranges from 30 to 90 (2014: 30 to 90) days.

Notes to the Financial Statements (Cont'd)

29. OTHER PAYABLES, DEPOSITS AND ACCRUALS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Other payables	5,642,015	5,645,937	72,760	56,821
Deposits	4,729,564	3,862,562	-	-
Accruals	4,457,033	3,063,795	1,127,161	1,362,928
	14,828,612	12,572,294	1,199,921	1,419,749

30. AMOUNT DUE TO SUBSIDIARIES

	Company	
	2015 RM	2014 RM
Trade	3,004,146	3,443,849
Non-trade	1,527,808	772,607
	4,531,954	4,216,456

The non-trade amount due to subsidiaries is unsecured, interest free and payable on demand. The trade credit term is disclosed in Note 28.

31. AMOUNT DUE TO DIRECTORS

The amount due to Directors is unsecured, interest-free and payable upon demand in cash and cash equivalents.

32. REVENUE

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Contract revenue	22,721,938	14,409,569	35,642,495	45,840,878
Property development	39,716,918	87,709,287	292,000	1,723,740
Water supply and services rendered	27,957,309	27,983,446	-	-
Rental income	14,529,506	13,999,068	-	-
Dividend	-	-	-	26,242,500
	104,925,671	144,101,370	35,934,495	73,807,118

Notes to the Financial Statements (Cont'd)

33. COST OF SALES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Contract cost	14,428,361	(924,923)	27,010,513	33,570,454
Property development cost	12,308,759	65,948,843	254,681	334,456
Operation and maintenance charges				
- water supply and services rendered	26,810,551	26,368,029	-	-
- rental income	10,871,397	9,932,936	-	-
	64,419,068	101,324,885	27,265,194	33,904,910

34. OTHER INCOME

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Interest income	21,427,925	20,966,108	6,122,838	4,189,827
Gain on disposal of a subsidiary	-	281,270	1,187,278	-
Gain on disposal of an associate	17,165,935	-	28,996,040	-
Net proceeds from litigation settlement	5,629,211	-	5,629,211	-
Compensation	480,000	960,000	-	-
Rental income	428,186	407,564	-	1,500
Gain on disposal of property, plant and equipment	343,271	565,140	342,992	366,986
Reversal of impairment loss on investment of an associate	-	6,800,000	-	6,800,000
Commission from projects	-	-	570,715	856,073
Miscellaneous	2,512,528	1,081,935	182,486	109,030
	47,987,056	31,062,017	43,031,560	12,323,416

35. FINANCE COSTS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Finance costs on:				
- Term loan	1,891,808	2,095,856	-	-
- Revolving credit	-	270,051	-	270,051
- Bank commitment	223,469	284,955	51,829	19,981
- Bank overdraft	176,127	96,059	43,567	850
- Hire purchase	65,369	53,388	21,804	24,894
	2,356,773	2,800,309	117,200	315,776
Other finance costs	41,010	65,154	9,858	-
	2,397,783	2,865,463	127,058	315,776

Notes to the Financial Statements (Cont'd)

36. PROFIT BEFORE TAXATION

Profit for the financial year has been arrived at:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
After charging:				
Auditors' remuneration				
- Statutory	182,519	176,437	50,000	50,000
- under provision in prior year	7,862	44,101	-	8,000
Bad debts written off	-	1,700,678	-	1,502,900
Impairment loss on trade receivables	587,636	-	-	-
Depreciation of:				
- property, plant and equipment	762,334	648,154	369,966	369,707
- investment properties	2,485,953	2,478,644	-	-
Interest expenses	2,397,783	2,865,464	127,058	315,776
Loss on foreign exchange				
- realised	116	116	-	-
- unrealised	306,489	63,853	-	39,913
Property, plant and equipment written off	21,066	1,293	15,934	-
Rental of premises	282,740	250,802	115,900	100,440
Staff and labour costs	4,307,751	4,369,726	1,612,612	1,679,815
And crediting:				
Commission received	-	-	570,715	856,073
Gain on disposal of property, plant and equipment	343,271	565,140	342,992	366,986
Gain on disposal of a subsidiary	-	281,270	1,187,278	-
Gain on disposal of an associate	17,165,935	-	28,996,040	-
Gain on foreign exchange				
- realised	-	332,365	-	-
- unrealised	59,085	490,706	40,298	-
Reversal of impairment loss on investment of an associate	-	6,800,000	-	6,800,000
Rental income	428,186	407,564	-	4,500
Interest income	21,427,925	20,966,108	6,122,838	4,189,827
Management and administration fee	28,500	32,000	-	-

(a) Staff and labour costs comprise:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Salaries, wages and bonus	3,912,927	3,958,583	1,493,955	1,542,755
Social security costs	29,694	36,163	6,925	7,855
Increase/(decrease) in short term accumulating compensated absences	7,247	(1,705)	237	4,157
Contribution to defined contribution plan	357,883	376,685	111,495	125,048
	4,307,751	4,369,726	1,612,612	1,679,815

Notes to the Financial Statements (Cont'd)

36. PROFIT BEFORE TAXATION (Continued)

(b) Directors remuneration costs comprise:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Directors' fees	121,380	136,625	70,000	70,000
Salaries, bonus and other emoluments	575,380	725,854	401,140	434,854
Contribution to defined contribution plan	14,928	31,068	-	-
	711,688	893,547	471,140	504,854

37. TAXATION

The provision for taxation for the financial year is computed at the prevailing tax rates.

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Income tax				
- current year				
- Malaysian income tax	12,665,231	10,229,716	4,500,000	3,600,000
- Foreign income tax	4,303,075	6,328,344	-	-
- prior years				
- Malaysian income tax	51,861	(43,790)	121,435	43,154
- Foreign income tax	2,911,760	-	-	-
	19,931,927	16,514,270	4,621,435	3,643,154
Deferred tax (Note 12)				
- current year	477,938	(461,173)	(6,055)	-
- prior years	(4,990,662)	-	168,442	-
	(4,512,724)	(461,173)	162,387	-
	15,419,203	16,053,097	4,783,822	3,643,154

The Malaysian income tax is calculated at the statutory tax rate of 25% (2014: 25%) of the estimated taxable profits for the fiscal year.

Income tax for subsidiaries in Malaysia is calculated at the Malaysian statutory tax rate of 25% (2014: 25%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

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

Notes to the Financial Statements (Cont'd)

37. TAXATION (Continued)

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

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Profit before taxation	77,055,086	62,717,496	48,225,311	47,207,029
Taxation at Malaysian statutory tax rate	19,263,771	15,679,374	12,056,327	11,801,757
Tax effects in respect of:				
Effect of tax rates in foreign jurisdictions	722,511	864,439	-	-
Non-deductible expenses	1,226,084	1,553,394	60,612	58,868
Non-taxable income	(2,801,009)	(2,261,399)	(7,622,994)	(8,260,625)
Foreign withholding tax	-	1,176,876	-	-
Crystallisation of deferred tax resulting from revaluation reserve	-	(61,325)	-	-
Deferred tax assets not recognised during the financial year	(1,166,794)	(651,766)	-	-
(Over)/under provision of income tax in prior financial years	(2,027,041)	(43,790)	289,877	43,154
Origination of temporary differences	326,607	-	-	-
Share of results of associates	(124,926)	(202,706)	-	-
	15,419,203	16,053,097	4,783,822	3,643,154

The unabsorbed tax losses and unutilised of capital allowances are available for offset against future taxable profits of the subsidiary and Company in which those items arose. These amounts are subject to agreement by the Inland Revenue Board.

38. BASIC AND DILUTED EARNINGS PER SHARE

	Group	
	2015 RM	2014 RM
Net earnings for the year (RM)	41,847,079	35,818,372
Weighted average number of ordinary shares *	335,193,932	336,589,957
Basic earnings per share (sen)	12.48	10.64

* The weighted average number of ordinary shares takes into account the share split during the year.

Basic earnings per share are calculated by dividing the profit for the financial year by the weighted average number of ordinary shares in issue during the financial year.

The diluted earnings per share is equal to the basic earnings per share for the financial year 2015 and financial year 2014 as there is no dilutive potential ordinary shares in issue.

Notes to the Financial Statements (Cont'd)

39. DIVIDENDS

	Company	
	2015 RM	2014 RM
Dividend paid		
Financial year ended 31st March 2015		
- interim single tier dividend of 3%	4,983,162	-
Financial year ended 31st March 2014		
- final single tier dividend of 3%	5,007,154	-
Financial year ended 31st March 2014		
- interim dividend of 3% less 25% tax	-	3,784,203
Financial year ended 31st March 2013		
- final dividend of 3% less 25% tax	-	3,786,791
	9,990,316	7,570,994

An interim single tier dividend of 3% amounting to RM4,983,162 in respect of the financial year ended 31st March 2015 was paid on 18th March 2015.

A final single tier dividend of 3% amounting to RM5,007,154 in respect of the financial year ended 31st March 2014 was paid on 18th November 2014.

An interim dividend of 3% less 25% tax amounting to RM3,784,203 in respect of the financial year ended 31st March 2014 was paid on 30th December 2013.

A final dividend of 3% less 25% tax amounting to RM3,786,791 in respect of the financial year ended 31st March 2013 was paid on 18th November 2013.

40. CONTINGENCIES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Secured:				
Guarantees given to financial institutions for bank guarantee facilities granted to the Company and subsidiaries in favour of third parties	12,928,540	3,777,620	12,928,540	3,777,620
Guarantees given to financial institutions on borrowings and credit facilities granted to subsidiaries	-	-	97,858,583	102,333,140
Unsecured:				
Guarantees given to financial institutions for bank guarantee facilities granted to a subsidiary in favour of third parties	-	1,484,921	-	1,484,921

Notes to the Financial Statements (Cont'd)

41. MATERIAL LITIGATIONS

- (a) A purported claim of RM787,882 together with interest and cost has been made by Syarikat Bina Setia Jasa ("SBSJ"), a sub-contractor, against Brem Maju Sdn. Bhd. ("BMSB"), a subsidiary company of the Company in respect of claim on contract works performed. BMSB is contesting the claim and has taken up counsel on the matter with the solicitors. SBSJ's application for summary judgement was dismissed with cost on 12th October 1995. An application to strike out the claim has been made by BMSB and on 9 February 2006, the Court had granted an order in terms of BMSB's application with costs. SBSJ filed an appeal to Judge In Chambers and the appeal was dismissed with costs on 22nd June 2006. On 21st July 2006, SBSJ has filed an appeal to the Court of Appeal. The Court has allowed costs of RM84,364 inclusive of interest of 8% per annum from 23rd June 2009 till full date of full realisation and the Allocatur fee of RM6,755 to be paid by SBSJ to BMSB. The Order and the Allocatur has been filed on 26th July 2010 and the same is pending extraction from the Court. The decision of the Judgement Debtors' application to set aside the bankruptcy Notice was filed on 18th July 2012. The matter was fixed for hearing on 26th July 2012 and it was dismissed with costs to be paid by the Judgement Debtors to BMSB. On 3 August 2012, the Creditor's Petition was filed and an Adjudication and Receiving Order was recorded against SBSJ for failure to satisfy the judgement sum and interest to BMSB. On 15th October 2012, the Proof Debt Form and General Proxy have been filed with the Official Assignee's office. The creditor's meeting was on 12th September 2013. There has been no development since 12th September 2013.
- (b) Intan Kemuncak Sdn. Bhd. ("IKSB"), a subsidiary company of Brem Holding Berhad, commenced an action against Koperasi Celcom Berhad ("KCB") on 23rd April 2002 for RM5,643,021, being the damages resulting from the unlawful termination by KCB of a joint venture agreement dated 30th July 1999 entered into between IKSB and KCB ("JVA"), relating to a housing project development. KCB had on 25th June 2002 filed its defence and made a counter claim against IKSB for breaching the terms of the JVA, which allegedly led to the termination of the JVA and KCB suffering damages amounting to RM13,586,580. IKSB has on 5th July 2002 filed in its defence to KCB's counter claim. The application of summary judgment by IKSB was dismissed by the Senior Assistant Registrar and IKSB filed in an appeal to the Judge in Chambers against the decision of the Senior Assistant Registrar. The summary judgement was obtained against KCB on 9th April 2004. However, KCB has filed in an appeal against the decision of the High Court Judge. The Directors and solicitors are of the opinion that IKSB will not suffer any material loss in respect of the purported claim. There has been no development since 29th April 2004.
- (c) On 23rd July 2012, the Company has filed a winding up petition against Mega Legacy (M) Sdn Bhd ("MLSB") for a balance settlement sum of RM22,000,000 and late interest of RM12,500 plus subsequent interest chargeable thereon. The Company has entered into a tripartite settlement agreement dated 25th April 2011 (the "Settlement Agreement") with Mega Legacy and Pembinaan Kery Sdn Bhd ("PKSB") upon which the parties have mutually agreed that Mega Legacy shall pay the Company a settlement sum of RM25,910,000 (the "Settlement Sum") in the manner and times and upon the terms and conditions stated therein. The Settlement Sum was derived from the progress billings of work done in respect of a proposed development project (the "Development Project") located in Jinjang Utara, Mukim Batu, Negeri Wilayah Persekutuan, Kuala Lumpur where MLSB was the appointed developer. PKSB was the contractor of MLSB for the Development Project while the Company was the sub-contractor of PKSB. MLSB has paid the Company RM910,000 upon signing of the Settlement Agreement but has defaulted in making the subsequent instalment payment in accordance with the terms of the Settlement Agreement resulting in the Company serving a Statutory Notice of Demand (the "Notice") for the full amount of the balance of the Settlement Sum amounting to RM25,000,000 together with interest pursuant to the terms of the Settlement Agreement. MLSB has on 9th July 2012 paid the Company RM3,000,000 but not the full amount in the Notice. The winding up petition has been fixed for hearing on 10th September 2012.

On 29th October 2012, the Company entered into a Supplemental Settlement Agreement with MLSB. Upon signing of the Supplemental Settlement Agreement, Mega Legacy has paid the Company a sum of RM1,000,000/-. The balance outstanding amount of RM21,000,000/- has been fully repaid by MLSB pursuant to the terms in the Supplemental Settlement Agreement by three(3) instalments of RM6,000,000/-, RM7,000,000/- and RM8,000,000/- on 24th April 2013, 24th April 2014 and 24th December 2014 respectively. Subsequent to the Agreement, the court proceedings on the matter has been withdrawn on 1st November 2012.

Notes to the Financial Statements (Cont'd)

42. SIGNIFICANT RELATED PARTIES TRANSACTIONS

(a) Identification of related parties

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

(b) Significant related party transactions

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Billings on contract work charge to subsidiaries				
- Harmony Property Sdn. Bhd.	-	-	27,982,100	20,289,406
- Naga Istimewa Sdn. Bhd.	-	-	184,831	119,523
- Eng Ann Realty Co (Klang) Sdn. Bhd.	-	-	12,479,797	25,347,844
Interest income received/receivable from subsidiaries				
-Harmony Property Sdn. Bhd.	-	-	3,879,119	2,570,012
-Naga Istimewa Sdn. Bhd.	-	-	-	-
-Intan Kemuncak Sdn. Bhd.	-	-	-	-
-Cosmo-One Realty Sdn. Bhd.	-	-	-	-
-NPO Builders Sdn.Bhd.	-	-	835,551	1,144,574

Significant transactions with related parties other than those disclosed elsewhere in the financial statements are as below:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Dividend income received from subsidiaries				
- Global Water Sdn. Bhd.	-	-	-	24,060,000
- Brem Maju Sdn. Bhd.	-	-	-	1,502,500
Management fee received/receivable from a subsidiary				
- PNG Water Limited	-	-	109,188	105,320
Dividend income received from an associate				
- Bertam Alliance Berhad	-	-	-	680,000
Rental of premises paid/payable to related party which certain Directors have interest in				
- Nikmat Maju Development Sdn. Bhd.	150,000	150,000	89,500	75,000
Comission received from a subsidiary				
- Brem Maju Sdn. Bhd.	-	-	570,715	856,073

(c) Key management personnel remuneration

Key management personnel are those persons having the authority and responsibility for planning, directing, and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of the Group as disclosed in Note 36(b).

Notes to the Financial Statements (Cont'd)

43. SEGMENTAL INFORMATION

Segment information is presented in respect of the Group's business and geographical segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest-earning assets and revenue, interest bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment.

Business Segments of the Group is organised into four major segments which is civil engineering and construction, property development, property investments and investment holding, and water supply and services.

	Civil engineering and construction RM	Property development RM	Property investments and investment holding RM	Water supply and services RM	Elimination RM	Consolidated RM
2015						
Revenue						
External sales	22,721,938	39,716,918	14,529,506	27,957,309	-	104,925,671
Inter-segment sales	31,694,476	-	-	-	(31,694,476)	-
Total revenue	54,416,414	39,716,918	14,529,506	27,957,309	(31,694,476)	104,925,671
Results						
Segment results	20,764,004	31,270,241	32,846,460	14,340,105	(19,831,684)	79,389,126
Finance costs	(136,172)	(369,803)	(1,891,808)	-	-	(2,397,783)
Share of results of associates	-	-	63,743	-	-	63,743
Taxation	-	-	-	-	-	(15,419,203)
Non-controlling interests	-	-	-	-	-	(19,788,804)
Profit attributable to owners of the Company						41,847,079
Interest income	6,166,978	6,367,692	139,292	13,607,925	(4,853,962)	21,427,925
Assets and Liabilities						
Segment assets	73,548,528	428,231,840	146,635,592	147,203,934	(13,411,111)	782,208,783
Associates						4,648,309
Unallocated corporate assets						33,257,325
Consolidated total assets						820,114,417
Segment liabilities	28,588,565	80,670,571	34,351,405	3,144,437	-	146,754,978
Consolidated total liabilities						146,754,978
Other information						
Capital expenditure	2,085,390	18,771	9,858	-	-	2,114,019
Depreciation and amortisation	922,183	74,992	2,251,112	-	-	3,248,287
Non cash expenses other than depreciation and amortisation	15,934	5,128	2	-	-	21,064

Notes to the Financial Statements (Cont'd)

43. SEGMENTAL INFORMATION (Continued)

	Civil engineering and construction RM	Property development RM	Property investments and investment holding RM	Water supply and services RM	Elimination RM	Consolidated RM
2014						
Revenue						
External sales	14,744,025	87,374,831	13,999,068	27,983,446	-	144,101,370
Inter-segment sales	46,327,493	-	26,242,500	-	(72,569,993)	-
Total revenue	61,071,518	87,374,831	40,241,568	27,983,446	(72,569,993)	144,101,370
Results						
Segment results	15,093,427	19,638,921	30,728,153	17,747,278	(25,235,647)	57,972,132
Finance costs	(323,141)	(395,875)	(2,095,855)	(50,592)	-	(2,865,463)
Reversal of allowance for impairment of associate	-	-	6,800,000	-	-	6,800,000
Share of results of associates	-	-	810,827	-	-	810,827
Taxation	-	-	-	-	-	(16,053,097)
Non-controlling interests	-	-	-	-	-	(10,846,027)
Profit attributable to owners of the Company						35,818,372
Interest income	150,048	460,079	4,317,272	16,038,709	-	20,966,108
Assets and Liabilities						
Segment assets	52,088,223	379,642,531	124,536,926	118,868,549	(7,875,431)	667,260,798
Associates						61,812,597
Unallocated corporate assets						33,257,325
Consolidated total assets						762,330,720
Segment liabilities	23,429,073	88,613,942	28,541,835	2,629,088	-	143,213,938
Unallocated corporate liabilities						15,282,210
Consolidated total liabilities						158,496,148
Other information						
Capital expenditure	1,388,205	253,400	15,295	-	-	1,656,900
Depreciation and amortisation	567,113	51,206	2,507,215	1,264	-	3,126,798
Non cash expenses other than depreciation and amortisation	1,293	-	-	-	-	1,293

Notes to the Financial Statements (Cont'd)

43. SEGMENTAL INFORMATION (Continued)

Geographical Segments

Revenue, property, plant and equipment and investment properties information based on the geographical location of customers and asset respectively are as follows:

	Revenue		Property, plant and equipment and investment properties	
	2015 RM	2014 RM	2015 RM	2014 RM
Malaysia	76,968,362	116,117,924	112,316,360	113,479,670
Papua New Guinea	27,957,309	27,983,446	371,096	325,315
	104,925,671	144,101,370	112,687,456	113,804,985

Revenue from one major customer amounting to RM27,957,309 (2014: RM27,983,446) relates to the sales from the water supply and services segment.

44. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 24th July 2014, Intan Kemuncak Sdn. Bhd., a wholly-owned subsidiary of the Company, entered into a Sale & Purchase Agreement with Tan Bun Bui for the acquisition of a piece of freehold land held under No Hakmilik 1228, Lot 1918, Tempat Sungai Teba, Mukim Batu, Daerah Kuala Lumpur, Negri Wilayah Persekutuan and measuring approximately 1.239 hectares (133,367.34 square feet) in area for a total cash consideration of RM24,672,958.
- (b) On 25th July 2014, the Company entered into Shares Sale Agreement with Wisma Jutamas Sdn. Bhd. for the disposal of its investment of 68,000,000 ordinary shares of RM1.00 each in Bertam Alliances Berhad representing 32.89% of the issued and paid up share capital therein for a total cash consideration of RM80,240,000 (RM79,316,040, net of transaction costs).
- (c) On 4th August 2014, the Company announced that:
 - (i) A share split involving the subdivision of every 1 existing ordinary share of RM1.00 each in Brem Holding Berhad ("Brem") into 2 ordinary shares of RM0.50 each in Brem. The share split was approved by Bursa Malaysia Securities and shareholders of the Company on 22nd August 2014 and 30th September 2014 respectively. The entitlement date for share split has been fixed on 27th November 2014; and
 - (ii) Amendment to Memorandum and Article of Association of Brem.
- (d) On 31 December 2014, the Group disposed of 114,000 ordinary shares of RM1.00 each representing 2.2% of the equity interest in Titi Kaya Sdn Bhd. ("TKSB") for a total sale consideration of RM1,892,400. The principal place of business of TKS B is located at 3rd Floor, Brem House, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan.

The disposal has reduced the equity interest of the Group in TKS B from 50.5% to 48.3%. Even though the Group holds less than half of the voting rights of TKS B, the Group retains its existing rights which includes the ability to direct the relevant activities of the Company. This is by virtue of TKS B's Board of Directors composition where it is wholly represented by two Directors from the Group. Hence, TKS B remains a subsidiary of the Group.

- (e) On 1st November 2014, the Company acquired 147,000 ordinary shares of RM1.00 each in GJH Ventures Sdn. Bhd. representing 49% of the issue and paid up share capital therein for a total cash consideration of RM147,000.
- (f) On 1st November 2014, the Company acquired 4,900,000 ordinary shares of RM1.00 each in GJH Prestige Sdn. Bhd. representing 49% of the issue and paid up share capital therein for a total cash consideration of RM4,900,000.

Notes to the Financial Statements (Cont'd)

45. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The significant accounting policies in Note 2.3 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Loans and receivables RM	Available for sale RM	Held to maturity RM	Financial liabilities at amortised cost RM	Total RM
Group					
2015					
Financial assets					
Operating financial asset	93,883,602	-	-	-	93,883,602
Other investments	-	23,097,408	595,445	-	23,692,853
Trade receivables	23,011,535	-	-	-	23,011,535
Other receivables and deposits	6,733,024	-	-	-	6,733,024
Cash and cash equivalents	52,713,008	-	-	-	52,713,008
	176,341,169	23,097,408	595,445	-	200,034,022
Financial liabilities					
Trade payables #	-	-	-	17,041,232	17,041,232
Other payables, deposits and accruals	-	-	-	14,828,612	14,828,612
Amount due to Directors	-	-	-	98,873	98,873
Hire purchase payables	-	-	-	2,142,772	2,142,772
Borrowings	-	-	-	97,858,583	97,858,583
	-	-	-	131,970,072	131,970,072
2014					
Financial assets					
Operating financial asset	80,070,219	-	-	-	80,070,219
Other investments	-	-	595,445	-	595,445
Trade receivables	40,379,225	-	-	-	40,379,225
Other receivables and deposits	6,565,845	-	-	-	6,565,845
Cash and cash equivalents	51,305,174	-	-	-	51,305,174
	178,320,463	-	595,445	-	178,915,908
Financial liabilities					
Trade payables #	-	-	-	9,646,436	9,646,436
Other payables, deposits and accruals	-	-	-	12,572,294	12,572,294
Amount due to Directors	-	-	-	254,423	254,423
Hire purchase payables	-	-	-	1,702,157	1,702,157
Borrowings	-	-	-	110,180,372	110,180,372
	-	-	-	134,355,682	134,355,682

Notes to the Financial Statements (Cont'd)

45. FINANCIAL INSTRUMENTS (Continued)

(a) Classification of financial instruments (Continued)

	Loans and receivables RM	Available for sale RM	Held to maturity RM	Financial liabilities at amortised cost RM	Total RM
Company					
2015					
Financial assets					
Other investments	-	23,097,408	-	-	23,097,408
Trade receivables	1,282,430	-	-	-	1,282,430
Other receivables and deposits	914,494	-	-	-	914,494
Amount due from subsidiaries	176,010,792	-	-	-	176,010,792
Cash and cash equivalents	(2,396,323)	-	-	-	(2,396,323)
	175,811,393	23,097,408	-	-	198,908,801
Financial liabilities					
Trade payables #	-	-	-	8,008,082	8,008,082
Other payables, deposits and accruals	-	-	-	1,199,921	1,199,921
Amount due to subsidiaries	-	-	-	4,531,954	4,531,954
Hire purchase payables	-	-	-	1,502,699	1,502,699
Borrowings	-	-	-	2,413,323	2,413,323
	-	-	-	17,655,979	17,655,979
2014					
Financial assets					
Trade receivables	12,358,881	-	-	-	12,358,881
Other receivables and deposits	986,340	-	-	-	986,340
Amount due from subsidiaries	114,120,560	-	-	-	114,120,560
Cash and cash equivalents	24,104,387	-	-	-	24,104,387
	151,570,168	-	-	-	151,570,168
Financial liabilities					
Trade payables #	-	-	-	4,260,090	4,260,090
Other payables, deposits and accruals	-	-	-	1,419,749	1,419,749
Amount due to subsidiaries	-	-	-	4,216,456	4,216,456
Amount due to Directors	-	-	-	155,556	155,556
Hire purchase payables	-	-	-	709,539	709,539
Borrowings	-	-	-	5,291,140	5,291,140
	-	-	-	16,052,530	16,052,530

Progress billings in respect of property development costs and amount due to contract customers were excluded from trade payables.

Notes to the Financial Statements (Cont'd)

45. FINANCIAL INSTRUMENTS (Continued)

(b) Fair value of financial instruments

The carrying amounts of the Group's financial assets and liabilities are reasonable approximation of their fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The Group does not anticipate the carrying amounts recorded at the reporting date to be significantly different from the values that would eventually be received or settled.

(c) Fair value hierarchy

As the financial assets and liabilities of the Company are not carried at fair value by any valuation method, the fair value hierarchy analysis is not presented.

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing these risks. The Group's risk management approach seeks to minimise the potential material adverse impact of those exposures.

The following section provides details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Interest rate risk

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

The Group's and the Company's interest risk arises primarily from interest-bearing financial assets and financial liabilities. The Group's and the Company's interest-bearing financial assets include fixed deposits that are short term in nature and are held to earn a better yield than cash at banks. The fixed deposits placed with licensed banks at fixed rate expose the Group and the Company to fair value interest rate risk. The Group's and the Company's interest-bearing financial liabilities include hire purchase payables, term loans and revolving credit.

Borrowings at floating rates expose the Group and the Company to cash flow interest rate risk whilst finance lease payables at fixed rate expose the Group and the Company to fair value interest rate risk. The Group and the Company manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

Notes to the Financial Statements (Cont'd)

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Interest rate risk (Continued)

The following tables set out the carrying amounts, the contractual interest rates as at the reporting date and the remaining maturities of the Group's and of the Company's financial instruments that are exposed to interest rate risk:

	Note	Contractual Interest Rate %	Within 1 year RM	2 to 5 years RM	Total RM
Group					
At 31st March 2015					
Fixed rate					
Financial assets					
Deposits with licensed financial institutions	21	2.44	49,359,789	-	49,359,789
Financial liabilities					
Hire purchase payables	26	3.70	996,796	1,145,976	2,142,772
Floating rate					
Financial liabilities					
Term loans	27	7.65	9,225,896	83,994,152	93,220,048
Bank Overdraft	27	2.50	4,638,535	-	4,638,535
			13,864,431	83,994,152	97,858,583
At 31st March 2014					
Fixed rate					
Financial assets					
Deposits with licensed financial institutions	21	2.44	40,317,086	-	40,317,086
Financial liabilities					
Hire purchase payables	26	3.70	612,000	1,090,157	1,702,157
Floating rate					
Financial liabilities					
Term loans	27	7.65	18,562,648	83,770,492	102,333,140
Bank Overdraft	27	2.50	2,847,232	-	2,847,232
Revolving credit	27	2.00	5,000,000	-	5,000,000
			26,409,880	83,770,492	110,180,372

Notes to the Financial Statements (Cont'd)

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Interest rate risk (Continued)

	Note	Contractual Interest Rate %	Within 1 year RM	2 to 5 years RM	Total RM
Company					
At 31st March 2015					
Fixed rate					
Financial liabilities					
Hire purchase payables	26	3.70	634,949	867,750	1,502,699
Floating rate					
Financial liabilities					
Bank Overdraft	27	2.50	2,413,323	-	2,413,323
At 31st March 2014					
Fixed rate					
Financial assets					
Deposits with licensed financial institutions	21	3.15	24,378,527	-	24,378,527
Financial liabilities					
Hire purchase payables	26	3.70	259,453	450,086	709,539
Floating rate					
Financial liabilities					
Bank Overdraft	27	2.50	291,140	-	291,140
Revolving credit	27	2.00	5,000,000	-	5,000,000
			5,291,140	-	5,291,140

Sensitivity analysis for interest rate risk

An increase in market interest rate by 100 basis points on financial assets and liabilities of the Group and of the Company which have variable interest rates at the reporting date would decrease the Group's and the Company's profit before tax by RM978,586 and RM24,133 respectively (2014: RM1,101,804 and RM52,911). This analysis assumes that all other variables remain constant.

A decrease in market interest rates by 100 basis points on financial assets and liabilities of the Company which have variable interest rates at the reporting date would have had the equal by opposite effect on the profit before tax on the amount show above, on the basis that all other variables remain constant.

Notes to the Financial Statements (Cont'd)

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counter party default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including other investment and cash and cash equivalents), the Group minimise credit risk by dealing exclusively with high credit rating counter parties.

The Company is also exposed to credit risk arising from corporate guarantee provided in respect of credit facilities granted to the subsidiary companies.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by:

- (i) The carrying amount of each class of financial assets recognised in the statements of financial position.
- (ii) A nominal amount of RM97,858,583 (2014: RM102,333,140) relating to corporate guarantees to bank and other financial institutions for credit facilities granted to subsidiaries.

Financial assets that are neither past due nor impaired

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 14. Deposits with banks and other financial institutions and quoted shares that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding trade and other receivables that are either past due or impaired is disclosed in Notes 14 and 17.

Credit risk concentration profile

As at the end of the reporting period, the Group has concentration of credit risk in the form of outstanding owing by 1 (2014: 1) customer represents 26% (2014: 78%) of total receivables respectively.

(c) Foreign currency risk

The Group is exposed to foreign currency risk arising from investments in foreign subsidiaries of which the assets and liabilities are denominated in Kina.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which these investments are located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

A 10% (2014: 10%) strengthening of the Kina against RM at the end of the reporting period would have decreased the Group's profit net of tax by RM11,876,276 (2014: RM10,024,984) respectively, with all other variables held constant.

Notes to the Financial Statements (Cont'd)

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount RM	Contractual undiscounted cash flow RM	Within 1 year RM	2 to 5 years RM	Total RM
Group					
At 31st March 2015					
Financial liabilities					
Trade payables	17,041,232	17,041,232	17,041,232	-	17,041,232
Other payables	14,828,612	14,828,612	14,828,612	-	14,828,612
Amount due to Directors	98,873	98,873	98,873	-	98,873
Hire purchase payables	2,142,772	2,275,256	1,084,932	1,190,324	2,275,256
Borrowings	97,858,583	97,858,583	13,864,431	83,994,152	97,858,583
	131,970,072	132,102,556	46,918,080	85,184,476	132,102,556
At 31st March 2014					
Financial liabilities					
Trade payables	9,646,436	9,646,436	9,646,436	-	9,646,436
Other payables	12,572,294	12,572,294	12,572,294	-	12,572,294
Amount due to Directors	254,423	254,423	254,423	-	254,423
Hire purchase payables	1,702,157	1,829,256	682,411	1,146,845	1,829,256
Borrowings	110,180,372	110,180,372	26,409,880	83,770,492	110,180,372
	134,355,682	134,482,781	49,565,444	84,917,337	134,482,781
Company					
At 31st March 2015					
Financial liabilities					
Trade payables	8,008,082	8,008,082	8,008,082	-	8,008,082
Other payables	1,199,921	1,199,921	1,199,921	-	1,199,921
Amount due to subsidiaries	4,531,954	4,531,954	4,531,954	-	4,531,954
Hire purchase payables	1,502,699	1,601,770	696,510	905,259	1,601,769
Borrowings	2,413,323	2,413,323	2,413,323	-	2,413,323
	17,655,979	17,755,050	16,849,790	905,259	17,755,049
At 31st March 2014					
Financial liabilities					
Trade payables	4,260,090	4,260,090	4,260,090	-	4,260,090
Other payables	1,419,749	1,419,749	1,419,749	-	1,419,749
Amount due to subsidiaries	4,216,456	4,216,456	4,216,456	-	4,216,456
Amount due to Directors	155,556	155,556	155,556	-	155,556
Hire purchase payables	709,539	759,659	286,300	480,769	767,069
Borrowings	5,291,140	5,291,140	5,291,140	-	5,291,140
	16,052,530	16,102,650	15,629,291	480,769	16,110,060

Notes to the Financial Statements (Cont'd)

47. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

The debt-to-equity ratios as at 31st March 2015 and as at 31st March 2014 were as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Trade payables	19,766,694	17,954,687	19,353,849	9,786,750
Other payables, deposits and accruals	14,828,612	12,572,294	1,199,921	1,419,749
Amount due to subsidiaries	-	-	4,531,954	4,216,456
Amount due to Directors	98,873	254,423	-	155,556
Hire purchase payables	2,142,772	1,702,157	1,502,699	709,539
Bank borrowings	97,858,583	110,180,372	2,413,323	5,291,140
Less: Cash and cash equivalents	(52,713,008)	(51,305,174)	2,396,323	(24,104,387)
Net Debt	81,982,526	91,358,759	31,398,069	(2,525,197)
Equity attributable to the shareholders of the Company	511,345,348	474,005,012	358,516,912	329,753,969
Capital and net debt	593,327,874	565,363,771	389,914,981	327,228,772
Gearing Ratio	14%	16%	8%	-1%

There were no changes in the Group's approach to capital management during the financial year.

Supplementary Information

On the Disclosure of Realised and Unrealised Profits or Losses

The following analysis of realised and unrealised retained profits or losses of the Group and of the Company as at the reporting date is presented in accordance with the directive issued by Bursa Securities dated 25th March 2010 and prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealise Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

The retained earnings of the Group and of the Company as at year end is analysed as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Total retained earnings of the Company and its subsidiaries				
- Realised	446,226,908	386,757,821	196,018,389	162,546,379
- Unrealised	(9,149,696)	(12,890,188)	(87,937)	(67,100)
	437,077,212	373,867,633	195,930,452	162,479,279
Total share of retained earnings from associates				
- Realised	(1,491,885)	7,442,941	-	-
- Unrealised	(106,330)	(1,178,688)	-	-
	435,478,997	380,131,886	195,930,452	162,479,279
Less: Consolidated adjustments	(90,553,441)	(70,579,317)	-	-
	344,925,556	309,552,569	195,930,452	162,479,279

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



Statement by Directors

We, **KHOO CHAI KAA** and **KHOO CHAI THIAM**, being two of the Directors of BREM HOLDING BERHAD, state that, in the opinion of the Directors, the financial statements set out on pages 34 to 106 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31st March 2015 and of their financial performance and cash flows of the financial year then ended.

The supplementary information set out in page 107 have been prepared in accordance with the 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*, issued by the Malaysian Institute of Accountants.

On behalf of the Board,

KHOO CHAI KAA
Director

KHOO CHAI THIAM
Director

Kuala Lumpur
Date: 23rd July 2015



Statutory Declaration


I, **KHOO CHAI KAA**, being the Director primarily responsible for the financial management of BREM HOLDING BERHAD, do solemnly and sincerely declare that, to the best of my knowledge and belief, the financial statements set out on pages 34 to 106 and the supplementary information set out on page 107 are 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.

KHOO CHAI KAA
Director

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 23rd July 2015.

Before me,

Commissioner for Oaths



Independent Auditors' Report

To the members of Brem Holding Berhad (Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Brem Holding Berhad, which comprise the statements of financial position as at 31st March 2015 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 34 to 106.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

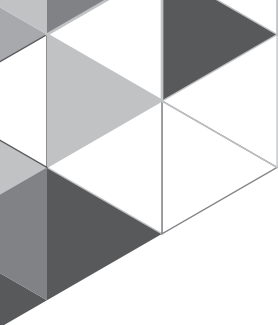
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance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

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

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

Opinion

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



Independent Auditors' Report

To the members of Brem Holding Berhad (Incorporated in Malaysia) (Cont'd)

Report on Other Legal and Regulatory Requirements

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

- a) In our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company of which we have acted as auditors have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.
- b) We have considered the financial statements and the auditors' reports of the remaining subsidiaries of which we have not acted as auditors, which are disclosed in Note 8 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 Companies Act, 1965 in Malaysia.

Other Reporting Responsibilities

The supplementary information set out in page 107 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 the 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 Matter

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

Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants

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

Kuala Lumpur

Date: 23rd July 2015

Analysis of Shareholdings

as at 31st July 2015

SHARE CAPITAL

Authorised Share Capital	:	RM250,000,000.00
Issued and fully paid-up capital	:	RM172,736,172
Class of shares	:	Ordinary shares of RM0.50 each
Voting rights	:	1 vote per share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares held	%
1 to 99	100	2.21	3,534	0.00
100 to 1,000	203	4.49	75,515	0.02
1,001 to 10,000	2,608	57.73	13,564,363	4.08
10,001 to 100,000	1,402	31.03	42,682,122	12.85
100,001 to less than 5% of issued shares	202	4.47	111,423,656	33.55
5% and above of issued shares	3	0.07	164,431,592	49.50
TOTAL	4,518	100.00	332,180,782	100.00

LIST OF THIRTY LARGEST SHAREHOLDERS

No.	Name	Shareholdings	%
1	BREM PROPERTIES SDN BHD	86,306,900	25.98
2	KHOO CHAI KAA	48,748,820	14.68
3	WAWASAN EKUITI SDN BHD	29,375,872	8.84
4	KENANGA NOMINEES (TEMPATAN)SDN BHD BENEFICIARY : PLEDGED SECURITIES ACCOUNT FOR LEONG KAM CHEE	7,752,000	2.33
5	KHOO CHAI THIAM	6,070,444	1.83
6	MAYBANK NOMINEES (TEMPATAN) SDN BHD BENEFICIARY : PLEDGED SECURITIES ACCOUNT FOR LOW YEW HWA	5,061,726	1.52
7	TAN SRI DATO' YAP SUAN CHEE	5,054,220	1.52
8	CLASSICAL GLORY SDN BHD	4,746,614	1.43
9	WAWASAN EKUITI SDN BHD	4,436,310	1.34
10	BOND RESOURCES SDN. BERHAD	4,279,650	1.29
11	AFFIN HWANG NOMINEES(TEMPATAN) SDN. BHD. BENEFICIARY : PLEDGED SECURITIES ACCOUNT FOR CLASSICAL GLORY SDN. BHD.	3,511,800	1.06
12	TAN JIN TUAN	2,608,000	0.79
13	KOPERASI JAYADIRI MALAYSIA BERHAD	2,580,000	0.78
14	TRADEMA HOLDINGS SDN.BHD.	2,061,162	0.62

Analysis of Shareholdings

as at 31st July 2015 (Cont'd)

LIST OF THIRTY LARGEST SHAREHOLDERS (Continued)

No.	Name	Shareholdings	%
15	YEOH PHEK LENG	1,880,000	0.57
16	KINGSLEY LIM FUNG WANG	1,820,000	0.55
17	LAW KING BOON @ LAU KENG BOON	1,712,600	0.52
18	LTK (MELAKA) SDN BHD	1,533,000	0.46
19	KENANGA NOMINEES (TEMPATAN)SDN BHD BENEFICIARY : PLEDGED SECURITIES ACCOUNT FOR GOH SWEE MOI	1,500,000	0.45
20	TAN JIN TUAN	1,242,000	0.37
21	HLIB NOMINEES (TEMPATAN) SDN BHD BENEFICIARY : PLEDGED SECURITIES ACCOUNT FOR TENG SIEW KEAN	1,226,790	0.37
22	KEK LIN SIANG	1,215,954	0.37
23	MAYBANK NOMINEES (ASING) SDN BHD BENEFICIARY : EXEMPT AN FOR DBS BANK LIMITED (CLIENT A/C)	1,140,000	0.34
24	SU MING KEAT	1,021,140	0.31
25	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD BENEFICIARY : EXEMPT AN FOR BANK OF SINGAPORE LIMITED	1,000,000	0.30
26	GEOFFREY LIM FUNG KEONG	1,000,000	0.30
27	LEONG KAM CHEE	1,000,000	0.30
28	TEOH HOCK CHAI @ TEW HOCK CHAI	1,000,000	0.30
29	LIM JIT HAI	940,000	0.28
30	KHOO PING KAW	931,016	0.28
		232,756,018	70.08

Analysis of Shareholdings

as at 31st July 2015 (Cont'd)

SUBSTANTIAL SHAREHOLDERS

(as shown in the register of substantial shareholders)

Name of Substantial Shareholders	No. of Ordinary Shares of RM1 each			
	Direct	%	Indirect	%
1. Khoo Chai Kaa	48,748,820	14.68	86,306,900	25.98
2. Lee Lei Choo	-	-	135,055,720	40.66
3. Wawasan Ekuiti Sdn. Bhd.	33,812,182	10.18	-	-
4. Musa Bin Abas	238,000	0.07	33,812,182	10.18
5. Brem Properties Sdn. Bhd.	135,055,720	40.66	-	-
6. Norhayati Binti Ali Polah	-	-	33,812,182	10.18

STATEMENT OF DIRECTORS' SHAREHOLDINGS

Directors' Name	No. of Ordinary Shares of RM1 each			
	Direct	%	Indirect	%
The Company				
Khoo Chai Kaa	48,748,820	14.68	86,306,900	25.98
Khoo Chai Thiam	6,857,344	2.06	-	-
Low Yew Hwa	5,061,726	1.52	-	-
Wong Miow Song	-	-	-	-
Dato' Hj. Abu Sujak Bin Hj. Mahmud	-	-	-	-
Khoo Hui Keam	-	-	-	-
Khoo Hui Giok	-	-	-	-

By virtue of his interest in shares in the Company, Mr. Khoo Chai Kaa is also deemed to be interested in the shares in all subsidiaries to the extent that the Company has an interest.

Directors' Name	No. of Ordinary Shares of HK\$1 each			
	Direct	%	Indirect	%
Subsidiary Companies:-				
a) Brem Oversea Investments Pte. Limited				
Low Yew Hwa	600,000	5.00	-	-
	No. of Ordinary Shares of K1 each			
	Direct	%	Indirect	%
b) Brem Maju (PNG) Limited				
Khoo Chai Kaa	1	0.0004	-	-
Low Yew Hwa	1	0.0004	-	-

Properties Held by the Brem Group of Companies

Location	Description/ Existing use	Date of acquisition	Area	Tenure/ Age of building	Net book value as at 31 March 2015 RM '000
BREM HOLDING BERHAD					
PT 19658-19697, 19869-19870, 19873, 20045, 19927-20035, 20047-20052, 23824 Mukim of Sungai Pasir, District of Kuala Muda, Kedah Darul Aman.	Development land - vacant	07/01/1994	24.14 acres	Freehold	34,611
PT 4657-4660, 4663, 4667, 4669, 4672-4674, 4678-4684, 4688-4700, 4704-4706, 4724, Mukim of Pinang Tunggal, District of Kuala Muda, Kedah Darul Aman.	Development land - vacant	07/01/1994	84.07 acres	Freehold	13,644
COSMO-ONE REALTY SDN BHD					
Lot 7, Jalan 222, Petaling Jaya, Selangor Darul Ehsan.	Factory building for rental	04/09/1996	1.21 acres	Leasehold Expiring on 20/07/2065	8,244
NAGA ISTIMEWA SDN BHD					
PT 14218, 14221 Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Investment property for rental - retail cum office complex	26/10/1995	2.74 acres	Leasehold Expiring on 01/08/2095 Age: 7 years	110,545
HARMONY PROPERTY SDN BHD					
PT 25794 Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Property under development	31/03/2005	0.82 acres	Freehold	8,986
PT 25799 Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Property under development	31/03/2005	7.22 acres	Freehold	60,682

Properties Held by the Brem Group of Companies (Cont'd)

Location	Description/ Existing use	Date of acquisition	Area	Tenure/ Age of building	Net book value as at 31 March 2015 RM '000
HARMONY PROPERTY SDN BHD (Cont'd)					
Lot No. 2868-2870 Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Development land - vacant	31/03/2005	5.94 acres	Freehold	16,052
Lot No. 2520-2522 Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Development land - vacant	31/03/2005 17/11/1995	5.94 acres	Freehold	7,264
Lot No. 2494 - 2496, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Development land - vacant	31/03/2005 10/10/1995	5.91 acres	Freehold	4,492
Lot No. 2519, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Development land - vacant	31/03/2005	2.03 acres	Freehold	2,534
Lot 1919, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Development land -vacant	08/04/2011	3.0 acres	Freehold	22,919
Lot 2 & Lot 9, District of Petaling, Selangor Darul Ehsan.	Development land -vacant	15/03/2011	7.59 acres	Leasehold Expiring on 16/05/2065	61,654
Lot 5114 & PT 1157, Mukim of Ulu Kelang, District of Kuala Lumpur, Wilayah Persekutuan.	Development land -vacant	19/11/2010	33.28 acres	Leasehold Expiring on 05/04/2083	87,733

Properties Held by the Brem Group of Companies (Cont'd)

Location	Description/ Existing use	Date of acquisition	Area	Tenure/ Age of building	Net book value as at 31 March 2015 RM '000
BREM MAJU SDN BHD					
Lot 4649, WC/S - 5, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan. (WC 23, Antah Tower, Off Jalan Kuching, 51200 Kuala Lumpur)	Single bedroom apartment for rental	03/11/1986	58.71 sq m.	Freehold Age: 28½ years	75
BREM MAJU (PNG) LIMITED					
Allotment 2, Section 516, Waigani Drive, Hohola, NCD, Papua New Guinea.	3-storey residential house	15/03/2003	0.06 acre	Leasehold Expiring on 28/05/2095 Age: 12 years	337
TITI KAYA SDN BHD					
PT 27609-PT 27611, Mukim of Kapar, District of Klang, Selangor Darul Ehsan.	Development land - vacant	21/10/1995	12.30 acres	Freehold	2,847
PT 27612 & PT 41705 (Formerly as Grant 30380, Lot 84), Mukim of Kapar, District of Klang, Selangor Darul Ehsan.	Development land - vacant	30/12/1996 09/05/1997	161.57 acres	Freehold	25,739
ENG ANN REALTY CO. (KLANG) SDN BHD					
Lot No. 3328-3330, 2900 & PT 252 (Formerly 3325), Mukim of Bukit Raja, District of Klang, Selangor Darul Ehsan.	Development land - vacant	10/06/1994	4.70 acres	Freehold	3
Lot 6469 & 1674, Mukim of Bukit Raja, District of Klang, Selangor Darul Ehsan.	Development land - vacant	10/01/1994	0.1 acre	Freehold	6

Properties Held by the Brem Group of Companies (Cont'd)

Location	Description/ Existing use	Date of acquisition	Area	Tenure/ Age of building	Net book value as at 31 March 2015 RM '000
ENG ANN REALTY CO. (KLANG) SDN BHD (Cont'd)					
Lot 15377, Mukim of Kapar, District of Klang, Selangor Darul Ehsan.	Development land - vacant	10/01/1994	5.31 acres	Freehold	38
PT 27612 & PT 41705 (Formerly as Grant 30380, Lot 84), Mukim of Kapar, District of Klang, Selangor Darul Ehsan.	Development land - vacant	10/06/1994	109.71 acres	Freehold	204
NPO BUILDERS SDN BHD					
PT 21018 (HSD 248199) & PT 21019 (HSD 248200), Mukim of Bukit Raja, District of Petaling, Selangor Darul Ehsan.	Development land - vacant	27/12/2004	46.21 acres	Freehold	30,020
INTAN KEMUNCAK SDN BHD					
Lot 1918, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Development land - vacant	24/07/2014	3.06 acres	Freehold	25,619

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Proxy Form

34th Annual General Meeting

I/We _____, (NRIC No./Company No.) _____
of _____
being a Member/Members of BREM HOLDING BERHAD hereby appoint _____
of _____
or failing *him/her _____
of _____

or failing *him/her, the Chairman of the Meeting as *my/our proxy to vote for *me/us on *my/our behalf at the Thirty-Fourth Annual General Meeting of the Company, to be held at Crown Hall, 1st Floor, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan on Monday, 28 September 2015, at 10.30 a.m. and at any adjournment thereof.

*(strike out whichever is not desired)

(Should you desire to direct your Proxy as to how to vote on the Resolutions set out in the Notice of Meeting, please indicate with an "X" in the appropriate space. Unless otherwise instructed, the Proxy may vote or abstain from voting at his discretion)

No.	Resolutions	For	Against
1.	To declare a final single tier dividend		
2.	To approve Directors' fees		
3.	Re-election of Mr. Khoo Chai Thiam as Director		
4.	Re-election of Mr. Low Yew Hwa as Director		
5.	Re-appointment of Dato' Hj. Abu Sujak Bin Hj. Mahmud as Director		
6.	To re-appoint Messrs. Baker Tilly Monteiro Heng as Auditors of the Company		
7.	Ordinary Resolution 1 – Authority to issue shares pursuant to Section 132D of the Companies Act, 1965		
8.	Ordinary Resolution 2 - Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions		
9.	Ordinary Resolution 3 - Proposed Renewal of Authority For Share Buy-Back		
10.	Ordinary Resolution 4 - Continuing in office for Mr. Wong Miow Song As Independent Non-Executive Director		

Signed this _____ day of _____ 2015

No. of Shares held	
CDS Account No.	
Tel No. (during office hours)	

Signature

NOTES:

1. A member of the Company entitled to attend and vote at this meeting is entitled to appoint up to two proxies to attend and vote instead of him/her. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy. There shall be no restriction as to the qualification of the proxy.
2. Where a member is an Exempt Authorised Nominee ("EAN") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds.
3. In the case of a corporate body, the proxy appointed must be in accordance with the Memorandum and Articles of Association, and the instrument appointing a proxy shall be given under the company's Common Seal or under the hand of the officer or attorney duly authorised.
4. The Form of Proxy must be deposited at the Company's Registered Office at 3rd Floor, BREM House, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time set for the meeting or any adjournment thereof.
5. In respect of deposited securities, only members whose names appear on the Record of Depositors on 21 September 2015 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and vote on his behalf.

Fold this flap for sealing

Fold Here

Affix
stamp

The Company Secretary

BREM HOLDING BERHAD (66756-P)
3rd Floor, BREM House
Crystal Crown Hotel
No. 12, Lorong Utara A
Off Jalan Utara
46200 Petaling Jaya
Selangor Darul Ehsan

Fold Here



BREM HOLDING BERHAD (66756-P)
3rd Floor, BREM House, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara
46200 Petaling Jaya, Selangor Darul Ehsan

www.bremholding.com