IREKA

NEW WAVE OF EXCELLENCE

ANNUAL REPORT 2015

...in trusted hands

VISION

To be a **progressive** and **globally-focused** corporation which prides itself on proven track record in **performance**, **reliability**, **excellence in quality** and **creativity** in all products and services offered.

COVER RATIONALE

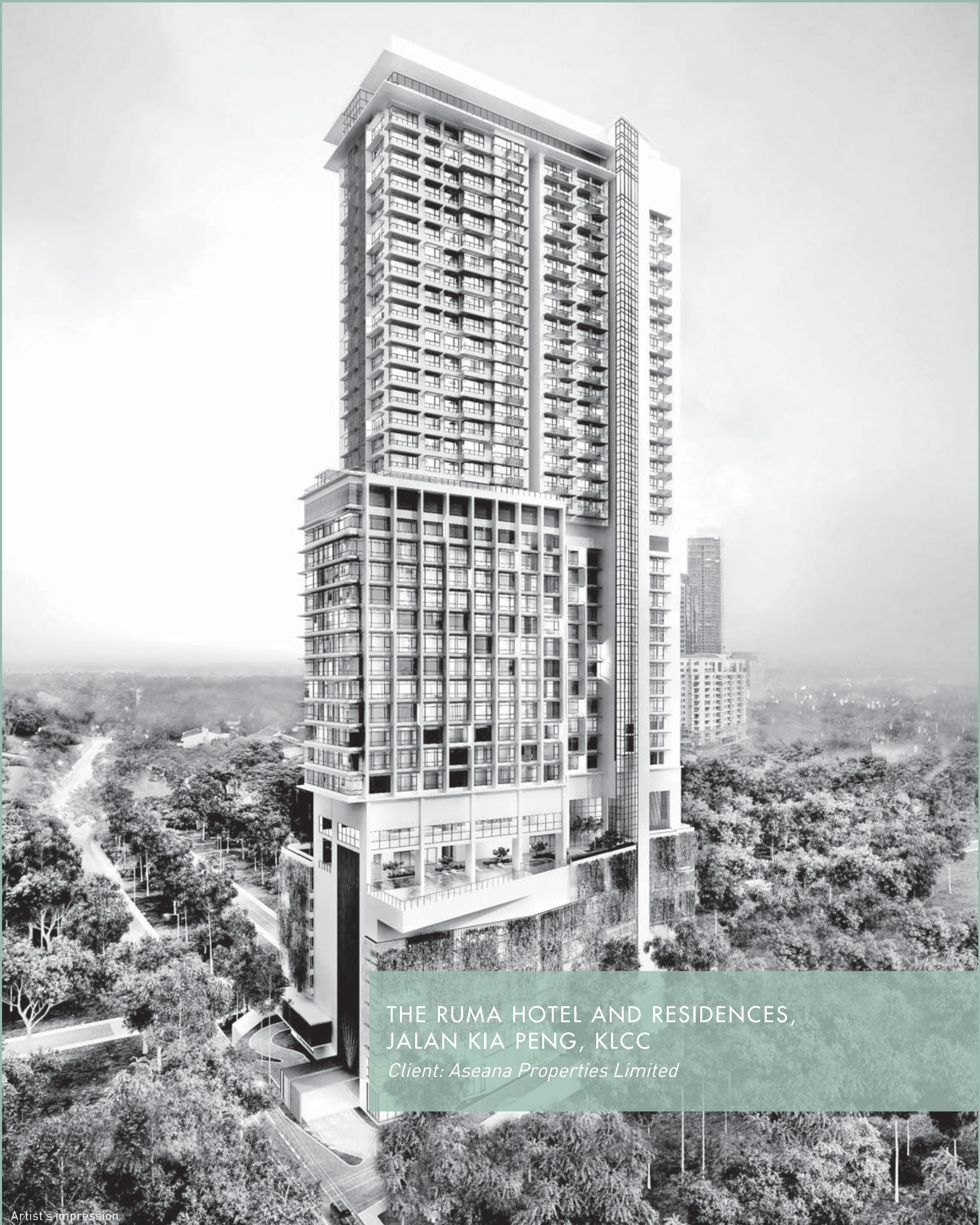
Ireka Corporation Berhad's recent smooth transition of leadership and new Board's composition are the inspiration for the illustration of waves on the cover. The consistent flow of the waves is akin to the energy that powers our company's progress as we chart and explore new avenues for growth.

CONTENTS

OUR 2015 PORTFOLIO

ABOUT IREKA

Founded in 1967, Ireka Corporation Berhad has rapidly evolved into a progressive and integrated entity. Ireka's success story lies in its different business portfolios which co-exist to form a corporation that is synergised with complementary capabilities and multi-industry expertise. This provides a solid foundation for the Group to deliver fresh perspectives and innovative solutions, as well as creating value for all its stakeholders. Today, Ireka Group is actively involved in three core businesses: Infrastructure, Real Estate and Technologies, spreading its wings in both Malaysia and Vietnam.

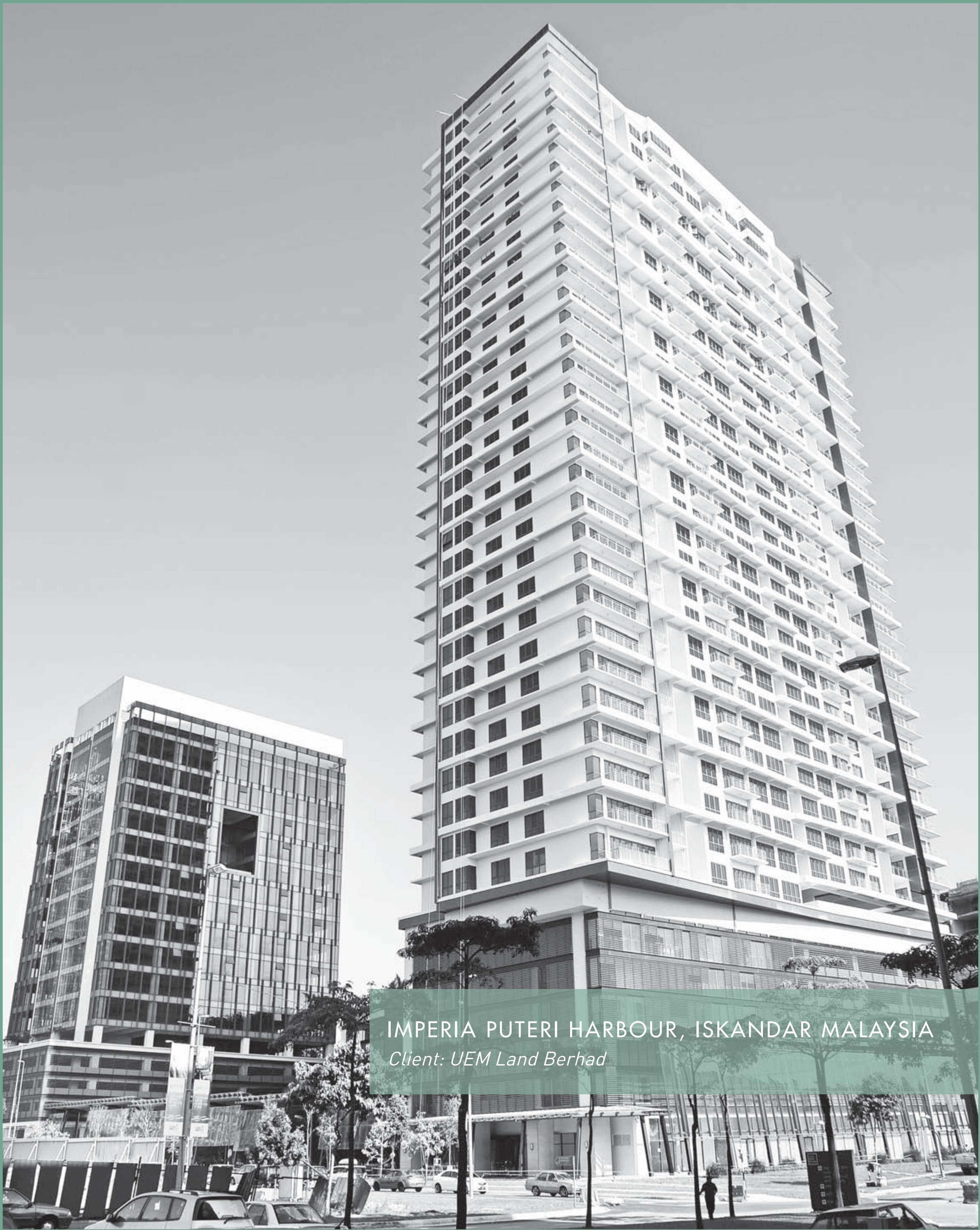


THE RUMA HOTEL AND RESIDENCES,
JALAN KIA PENG, KLCC

Client: Aseana Properties Limited

MRT V7, BANDAR TUN HUSSEIN ONN TO TAMAN MESRA

Client: MTD Construction Sdn Bhd and Persys Sdn Bhd



IMPERIA PUTERI HARBOUR, ISKANDAR MALAYSIA

Client: UEM Land Berhad

SOLSTICE @ PAN'GAEA, CYBERJAYA

Client: Wawasan Rajawali Sdn Bhd
(a subsidiary of OSK Property Holdings Berhad)

THE RUMA HOTEL AND RESIDENCES,
JALAN KIA PENG, KLCC

Client: Aseana Properties Limited

KL ECO CITY RESIDENTIAL TOWER 1

Client: KL Eco City Sdn Bhd
(a subsidiary of SP Setia Bhd Group)

KL ECO CITY OFFICE TOWER 2

Client: KL Eco City Sdn Bhd
(a subsidiary of SP Setia Bhd Group)

RIMBUN KASIA, NILAI

By Meadowfield Sdn Bhd
(a subsidiary of Ireka Corporation Berhad)

KASIA GREENS, NILAI

By Meadowfield Sdn Bhd

dwi@RIMBUN KASIA, NILAI

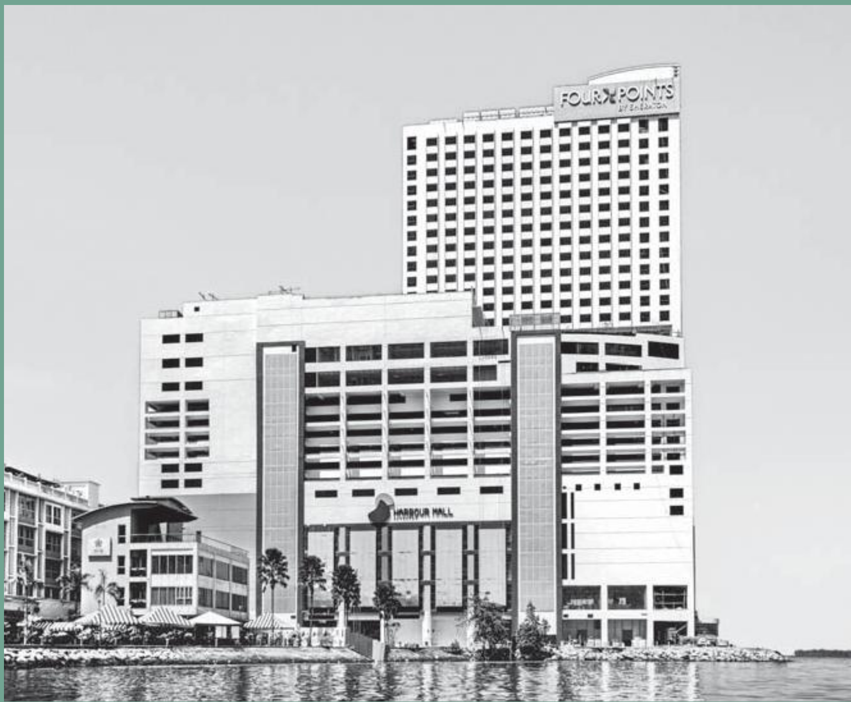
By Meadowfield Sdn Bhd

10 SHOPZ, NILAI

By Meadowfield Sdn Bhd

ASTA ENTERPRISE PARK, KAJANG

By Ireka Engineering & Construction Sdn Bhd



FOUR POINTS BY SHERATON
SANDAKAN AND HARBOUR MALL
SANDAKAN, SABAH
Client: Aseana Properties Limited

CITY INTERNATIONAL HOSPITAL
IN INTERNATIONAL HEALTHCARE PARK, HO CHI MINH CITY
Client: Aseana Properties Limited

ALOFT KUALA LUMPUR SENTRAL HOTEL, KUALA LUMPUR

Client: Aseana Properties Limited

SENI MONT' KIARA, KUALA LUMPUR

Client: Aseana Properties Limited

SAFEHOUSE DATA CENTRE,
MONT' KIARA

CHAIRMAN'S STATEMENT

This is my inaugural Annual Statement to Shareholders as the Chairman of Ireka Corporation Berhard ("Ireka Group" or the "Group"). I am privileged and delighted to present the Annual Report and Audited Accounts of the Group for the financial year ended 31 March 2015 ("FY2015").

For FY2015, the Group's revenue improved by 47.1% to RM426.2 million compared to RM289.7 million recorded in the previous year. This is mainly contributed by the increased volume of work completed by the Infrastructure Division's construction activities during the year, in particular the Imperia Puteri Harbour, Iskandar Malaysia Project and Solstice @ Pan'Gaea, Cyberjaya Project. The operating profit achieved by the Group was RM12.9 million compared with an operating loss of RM1.9 million in FY 2014. However, after allowing for the share of losses of an associated company, Aseana Properties Limited ("Aseana Properties" or "Aseana") of RM6.0 million, the loss for the year amounted to RM2.4 million compared to a loss of RM27.3 million recorded in the previous year.

The Board of Directors have recommended a first and final single-tier dividend in respect of the financial year ended 31 March 2015, of three sen per ordinary share for shareholders' approval at the forthcoming Annual General Meeting. The dividend payout of RM5.1 million will be accounted for as an appropriation from retained earnings in the financial year ending 31 March 2016. This dividend payout is a token of appreciation to our loyal shareholders who have placed their confidence and trust in Ireka over the years, and we hope for your continued support in the ensuing years.

Despite the current lackluster economic outlook, the drastic drop of crude oil price and the weakening Malaysian Ringgit, the Country's construction sector continues to record positive growth, spearheaded by mega projects and rail-lines development projects. On the construction front,we have a RM1.4 billion order book as at date of this report, which includes the MRT Civil and Structure Works, two residential and office tower projects at KL Eco City and The RuMa Hotel and Residences, of which approximately RM760.4 million remains outstanding. The Group will continue to seek opportunities to replenish its order book, albeit on a cautious basis to minimize the risks of an uncertain economy in the short to medium term. The Group's construction activities is also expected to remain busy with a number of planned Group property projects being scheduled for launching in the coming financial year.

Malaysia experienced a softer property market in view of the current economic outlook coupled with rising inflation and lower purchasing power following the implementation of the Goods and Services Tax ("GST"). The property cooling measures introduced by the Government since 2013 coupled with tighter lending guidelines have also continued to weigh on the market. FY2015 saw the completion of Kasia Greens in Nilai, which is the first development under Ireka's new zenZ brand. Kasia Greens consisting of 142 units of terraced houses located in Nilai, was successfully handed over to its buyers in early June 2015. The Group will soon launch Rimbun Kasia, its next phase of residential development in Bandar Baru Nilai and ASTA, the modern industrial park in Kajang later this year. Following these two projects, Ireka targets to launch its residential project in Kajang and Mont' Kiara during the first half of 2016.

Ireka's associate, Aseana Properties, had in May 2015 announced proposals regarding the future of the company to enable realization of the company's assets in a controlled, orderly and timely manner, with the objective of achieving a balance between periodically returning cash to shareholders and maximizing the realization value of the company's investment. Subsequently, during the Annual General Meeting and Extraordinary General Meeting held in June 2015, the shareholders had approved the proposals for the continuation of Aseana for the next three years to June 2018, adoption of a new divestment policy, and intention to make distributions of not less than US$20.0 million in 2015 based on current cash balances and expected receivables from realized assets.

The performance of i-Tech Network Solutions Sdn Bhd ('i-Tech') and iTech ELV Solutions Sdn Bhd ('iTech ELV'), the Group's Technologies businesses, have also been impacted by the weaker economy and a highly competitive market landscape. The weaker economy has resulted in clients postponing IT spending, particularly in the Oil and Gas industry. In Vietnam, i-Tech Network Solutions (Vietnam) Company Ltd continues to support the City International Hospital in Ho Chi Minh City. The Company also managed to secure a few networking and systems integration projects with a few of multi-national companies in Vietnam.

FY2015 saw the culmination of a productive and professional relationship between the Group and two long-serving members of the Board. The Board and I wish to record our sincere appreciation and profound gratitude to Tuan Haji Ir. Abdullah bin Yusof who retired as Chairman of the Board and Mr. Kwok Yoke How who retired as Independent Non-Executive Director on 31 March 2015, for their invaluable services rendered to the Board and the Group for the past 23 years. Simultaneously, I take this opportunity to welcome our new Board members, Dato' Azmi bin Abdullah and Mr. Hoe Kah Soon as Independent Non-Executive Directors, and Mr. Tan Thiam Chai as Group Executive Director. Dato' Azmi's wealth of experience in the banking and finance industry will be of immense value to the Group. Mr. Hoe, who has broad international experience as a management consultant across many industries will also add a valuable perspective to our Board. Mr. Tan, who is also the CEO of Ireka Engineering & Construction Sdn Bhd, with his years of experience in the construction industry, will definitely bring an important perspective to the Board.

I would also like to congratulate and welcome our new Group Managing Director/Group CEO, Mr. Lai Voon Hon and Group Deputy Managing Director/Group Deputy CEO, Ms. Monica Lai. They have both taken on the tasks to provide leadership in executing the various projects and initiatives of the Group going forward. With these new appointments, Datuk Lai Foot Kong has taken on a new role as Group Executive Director/Group Advisor and will continue to bring his wealth of experience to the Group. In my and Datuk Lai Foot Kong's years of serving as executive leaders of the Group, I offer our gratitude to all our employees for their hard work and commitment towards achieving our shared goals and objectives. I urge everyone to give their undivided support to our new Managing Director/CEO and Group Deputy Managing Director/Group Deputy CEO in their effort to bring Ireka to greater heights.

Last but not least, on behalf of the Board, I wish to convey my sincere thanks to all shareholders, customers, business partners, Government authorities and Aseana for their continued support in our business undertakings.

DATUK LAI SIEW WAH *P.G.D.K.*
Executive Chairman

28 August 2015

MANAGEMENT DISCUSSION & ANALYSIS

GROUP PERFORMANCE REVIEW

For the financial year ended 31 March 2015 ("FY2015"), Ireka Group recorded total revenue of RM426.2 million, an increase of 47.1% compared to the FY2014. The Infrastructure Division through its construction activities remain as the major revenue contributor for the Group, accounting for approximately 83.6% of the Group's total revenue. This is followed by the Property Development Division at 11.1%, as a result of the remaining sales of the Kasia Greens project during the year. The remaining revenue is contributed by the Trading and Services Division which includes contributions for the development management services provided to Aseana Properties Limited ("Aseana Properties" or "Aseana"), a 23.07% associate of Ireka Corporation Berhad, and the Technologies Division.

The Group has recorded higher revenue from construction activities in FY2015. With lower administration expenses and lower share of losses from Aseana Properties in FY2015 compared to FY2014, the Group's losses have significantly narrowed to RM2.4 million compared to RM27.3 million incurred in FY2014. The losses from Aseana Properties are mainly attributed to operating losses and financing costs of Harbour Mall Sandakan and Four Points by Sheraton Sandakan Hotel, together with operating losses and financing costs of the City International Hospital, which is in its early operational stage. The losses in Aseana have been mitigated by profit from the sale of vacant plots of land at the International Healthcare Park ("IHP") as well as increased sales at both SENI Mont' Kiara and Tiffani. The devaluation of Ringgit Malaysia against the United States Dollar, the financial reporting currency of Aseana, has also resulted in Aseana recording unrealised foreign exchange losses of US$13.2 million for FY2015.

With the completion of the Two-Call Rights Issue with Warrants on 1 July 2014, the issued and paid up capital of the Ireka was enlarged to RM170,872,050. This Rights Issue with Warrants exercise had generated gross proceeds of RM37,022,000 and such sum had been fully utilized as working capital during the financial year under review.

As part of a long-term succession plan, there has been a reorganization at the top level management of the Group during the year. Mr. Lai Voon Hon has taken over the position of Group Managing Director in April 2015 from Datuk Lai Siew Wah, who has assumed the position of Executive Chairman upon the retirement of Tuan Haji Abdullah Yusof. Ms. Monica Lai replaces Datuk Lai Foot Kong as the Group Deputy Managing Director, with Datuk Lai Foot Kong assuming the position of Ireka Group's Advisor. There have also been a number of new appointments at the senior management level, with each new member bringing with them a wealth of working experience and knowledge in their respective field to further strengthen the Group.

Shareholders of Aseana Properties supported Aseana Properties Board's recommendations to adopt a new divestment policy to orderly realise its assets and subsequent capital return to its shareholders, and voted against the Discontinuation Resolution at its Extraordinary General Meeting and Annual General Meeting on 22 June 2015.

Under the divestment policy, Aseana will not make new investments and will begin to realise its assets progressively in a controlled, orderly and timely manner over the next three years. Aseana is now in various stages of negotiations for disposals of most of its assets including those in Vietnam. Vietnam's economy has made a turnaround with its GDP growing at 6.0% in 2014, surpassing the Vietnamese government's target of 5.8%. The continued macroeconomic stability which has helped underpin growth in Vietnam, will augur well for Aseana's divestment activities going forward.

With Aseana embarking on its new divestment policy, the shareholders of Aseana, including Ireka, will see regular capital distributions from Aseana, expected to be twice annually over the next three years.

The Malaysian economy has defied the slide in commodities and crude oil prices to grow at its fastest pace since 2010, up 6.0% in 2014 compared with 4.7% in 2013. The positive growth was largely driven by the continued strength of domestic demand in tandem with the improvement exhibited by external trade performance. However, the steady growth has been interrupted by the depreciation of the Ringgit after the Government adjusted its economic targets to cope with sliding oil prices. The Ringgit has depreciated by 6.1% to RM3.4950 against the US Dollar during 2014 as a whole. The lackluster performance of the Ringgit was also partially caused by the strengthening of the US Dollar in anticipation of the Federal Reserve raising interest rates, as well as the concerns over the political instability and the state of Malaysia's public finances.

In August 2015, the Ringgit sunk to its seventeen-year low against the US dollars as a result of both internal and external factors outlined above. Despite the current economic headwinds, Malaysia jumped 5 notches to 6th position in this year's Baseline Profitability Index ("BPI"), a ranking of destinations of attractiveness for foreign investors, published by the Foreign Policy Magazine. The ranking, which covered 110 countries across six continents, reaffirms Malaysia's position as an attractive profit centre in the region for investors.

INFRASTRUCTURE DIVISION PERFORMANCE REVIEW

The 11th Malaysia Plan unveiled in 2015 will drive the expansion of the construction sector through major capital expenditure projects, being the Government's Economic Transformation Programme ("ETP") and the Public-Private Partnership ("PPP") mega-projects, such as the Tun Razak Exchange, Klang Valley Mass Rapid Transit ("KVMRT") and Iskandar Malaysia. In 2014, the construction sector accounted for 3.9% share in the overall GDP growth of Malaysia and registered a total growth of 11.6% year-on-year mainly due to stronger growth in both the residential and non-residential sub-sectors.

Despite being affected by the implementation of the Goods and Services Tax ("GST") in April 2015, coupled with the cooling measures to curb property speculation, it is expected that the country's construction industry will chalk up its fourth consecutive year of double-digit growth in 2015. The Malaysian government has reiterated its commitment to continue with the development expenditure announced in the Budget 2015 such as the MRT Line 2, LRT 3 and the Kuala Lumpur-Singapore High-Speed Rail project.

For year 2015 to date, Ireka Engineering & Construction Sdn Bhd ("IECSB") had successfully completed two significant projects, namely the Kasia Greens, double-storey super-link houses in Nilai and the Imperia Puteri Harbour, high-end serviced apartment project in Nusajaya for UEM Land Berhad. In addition, IECSB is targeting to handover the Solstice @ Pan'gaea in Cyberjaya by the first quarter of 2016.

Aside from these notable successes, IECSB has secured a new contract during the year, a Grade A office building work awarded by KL Eco City Sdn Bhd with a total contract sum of RM276.7 million. The Group's construction order book stood at about RM1.4 billion, with approximately RM760.4 million still outstanding as at 30 June 2015. Contracts such as the MRT Elevated Viaduct Civil Works Package V7, Solstice @ Pan'gaea in Cyberjaya, KL Eco City Residential Tower 1 and The RuMa Hotel and Residences are still underway. In supporting the Group's Real Estate Division activities, IECSB has also planned for a number of internal projects which will take place over the next few years with a total contract sum of approximately RM640.0 million.

Moving forward, IECSB will continue to actively seek opportunities to replenish its order book. However, IECSB will be exercising extra caution in taking on construction contracts amidst the poor sentiments of the property market in Malaysia.

REAL ESTATE DIVISION PERFORMANCE REVIEW

The Malaysian property market has slowed down noticeably in 2014, in the wake of cooling measures implemented under the 2014 budget by the Government, such as the prohibition of the Developer Interest Bearing Scheme ("DIBS"), the increase in the Real Property Gains Tax ("RPGT") and the loan-to-value ratio. With the implementation of Goods and Services Tax ("GST") back in April 2015, buyers will likely adopt a "wait-and-see" approach for at least the next nine to twelve months. Nevertheless, the overall performance of the property market in Malaysia is still resilient and has made a marginal rebound in terms of value and volume in 2014 from a year earlier, led by residential real estate transactions. Moving forward, Malaysia's property market

MANAGEMENT DISCUSSION & ANALYSIS cont'd

is poised to see interest not only locally but from foreign parties capitalising on the weak Ringgit.

According to the National Property Information Centre ("NAPIC"), Malaysia registered a rise of 7.0% in transaction value at RM163.0 billion while volume increased 0.8% to 384,060 transactions in year 2014. The residential segment led with a 50.4% share in terms of value, followed by commercial properties at 19.5%. In terms of volume, the residential segment led the property market with a 64.4% contribution, followed by the agricultural segment at 18.8% and commercial properties at 9.3%.

On its property front, Ireka Group has in 2014 introduced its new brand product, zenZ for the mid-market properties. After creating the very successful i-ZEN brand that caters for the upper market, the Group is now venturing into the mid-market properties in Nilai and Kajang. The essence of zenZ is embodied in the 5E principles which are Economical, Evolutionary, Efficient, Essential and Eco-conscious. In Nilai, the first phase of development on the residential land is Kasia Greens consisting of 142 units of super-link houses. Kasia Greens was officially launched in June 2013 and the development has now been completed and successfully handed over to the buyers in June 2015.

Second phase of Nilai land development, consisting of 6 parcels of lands measuring 30.6 acres, will be developed into courtyard apartments, condominiums, town villas and commercial centre. The sales launch of the courtyard apartments, known as dwi@Rimbun Kasia, was initially planned for the fourth quarter 2014. However, the launch date has now been postponed to end of 2015 due to delays in obtaining approvals from the authorities. The project, dwi@Rimbun Kasia, consists of a 9-storey, 328 units apartment block with sizes ranging from 650 square feet to 980 square feet.

Meanwhile, the sales launch of the ASTA Enterprise Park, Kajang (formerly known as Kajang Industrial Development) has been delayed due to authorities' approvals and is now planned for end of 2015. Located at a thriving neighbourhood south of Kuala Lumpur, this 31.5 acres of freehold development, will consist of semi-detached and detached light industrial factories. The design of the units emphasizes on multi functionality and versatile utilisation to cater for the total industrial needs of companies.

Detailed development planning and approvals are currently underway for Kajang Residences (formerly known as Kajang Commercial Development) as well as for the Kiara Residences project. Kajang Residences will be positioned as a stylish and trendy new urban resort of serviced residences in the thriving area of Kajang. The Mont' Kiara Residences is a mixed development comprising of serviced residences and commercial properties in the heart of the established and exclusive Mont' Kiara enclave. The Group is optimistic that these upcoming projects will do well despite the slowdown in the property sector as they are situated in established neighbourhoods and addresses.

As for properties under Aseana, SENI Mont' Kiara ("SENI") bagged the prestigious World Silver Award at the International Real Estate Federation ("FIABCI") World Prix d'Excellence Awards 2014 in the residential high rise category in May 2014. On a similar note, the Aloft Kuala Lumpur Sentral Hotel ("Aloft") was awarded the Gold Winner of FIABCI World Prix d'Excellence Awards 2015 in the hotel cateogory in May 2015. This award represents the second time that a hotel built by Ireka has been recognised internationally for its hotel development - the first being Westin Kuala Lumpur in 2006. The award is a true testimony of the Group's standing as one of the leading hotel developers in the world. Winning the much coveted FIABCI World award will also place Ireka and its associate company, Aseana, in the international spotlight, and will inspire the Group to set new benchmarks in future projects.

TECHNOLOGIES DIVISION PERFORMANCE REVIEW

i-Tech Network Solutions Sdn Bhd ("i-Tech") had a disappointing year in FY2015, recording lower revenues due primarily to the postponement of a number of large projects for clients in the Oil & Gas industry. This, coupled with a highly competitive IT market, hampered growth plans. However, the company's gross profit margin increased due to better control of costs and continued support from long term clients.

i-Tech's "green" data centre in Mont' Kiara, branded as SAFEHOUSE, has continued to add to its stable of clientele in the face of an oversupply of data centres in the country. SAFEHOUSE has focused the marketing of its data centre on offering Recovery-as-a-Service ("RaaS") solutions and becoming more innovative with product offerings to differentiate itself from its competitors. Any success, small or otherwise, is testament to the hard work performed by the team in the marketing of SAFEHOUSE. Our boutique data centre was built with high security, high availability, high density and high efficiency, state-of-the-art solutions and has obtained ISO/IEC 27001:2005 Certification for Information Security Management System for the Provision of Data Centre Services from the Certification Body of TÜV SÜV Management Services GmbH.

The Malaysian IT market is expected to be the only one in Asia Pacific where the proportion of hardware spending still outstrips spending on software and services, but this is expected to change as organizations consolidate their hardware. The major driver behind the steady growth has been the Malaysia Government and its various initiatives to encourage the adoption of Information and Communications Technology ("ICT") including the Digital Malaysia Programme that seeks to transform the nation into a fully developed economy by 2020. The highly marketed cloud-based solutions offered by international players are expected to affect the IT hardware and co-location market locally. However, i-Tech is confident that our service and expertise are capable of competing with international players with similar solutions.

iTech ELV Solutions Sdn Bhd's ("iTech ELV") sales revenue dipped slightly in FY2015 compared to FY2014. iTech ELV has been cautious in its approach and will only take on work for 'blue chip' clients. iTech ELV however remains profitable in FY2015. iTech ELV is a certified Electrical Class A license Contractor by Suruhan Tenaga offering low voltage ("LV") electrical services namely switch gear, transformer, LV switch board to structured cabling, building automation, security access systems and audio-visual systems. iTech ELV will be aggressively looking to replenish its order book over the next twelve months.

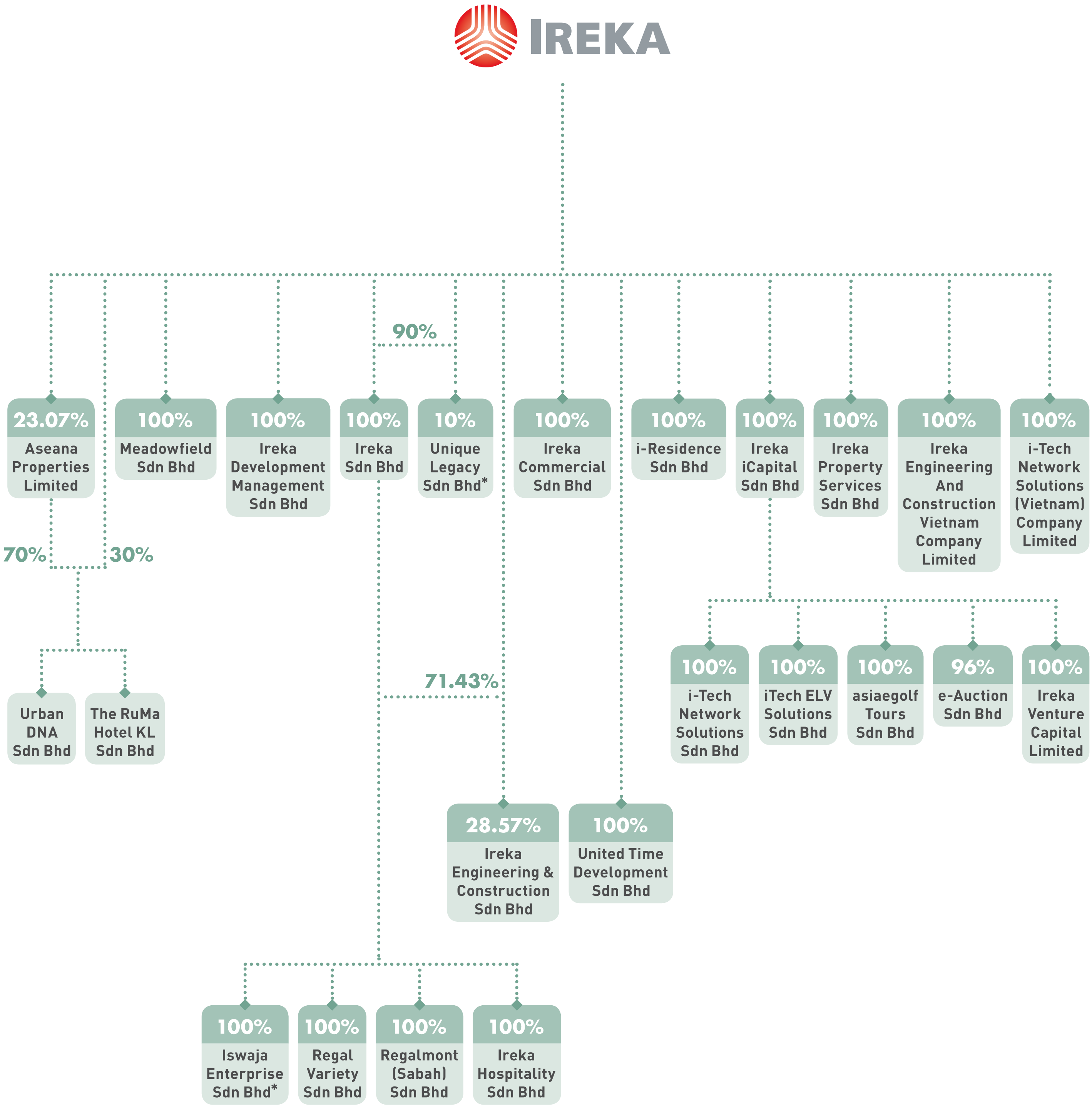
i-Tech Network Solutions (Vietnam) Company Limited ("ITV") continues to provide IT and network services to City International Hospital, a Parkway operated hospital in Ho Chi Minh City. In the coming years, ITV intends to further extend its business in the growing Vietnam market.

For all three core businesses, FY2015 was a challenging year. However, Ireka is confident that it will remain steadfast and focused on growth of its core businesses, which are all trending in the right direction.

LAI VOON HON
Group Managing Director

28 August 2015

CORPORATE
STRUCTURE



* In the process of winding up

CORPORATE INFORMATION

BOARD OF DIRECTORS

EXECUTIVE CHAIRMAN
Datuk Lai Siew Wah *P.G.D.K.*

MANAGING DIRECTOR
Lai Voon Hon

DEPUTY MANAGING DIRECTOR
Lai Voon Huey, Monica

EXECUTIVE DIRECTORS
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*
Chan Soo Har @ Chan Kay Chong
Lai Man Moi
Tan Thiam Chai

INDEPENDENT NON-EXECUTIVE DIRECTORS
Haji Mohd. Sharif bin Haji Yusof
Hoe Kah Soon
Dato' Azmi bin Abdullah

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR
Haji Mohd. Sharif bin Haji Yusof
Tel : +603-6411 6388
Fax : +603-6411 6383
Email : mohdsharif@ireka.com.my

AUDIT COMMITTEE

CHAIRMAN
Haji Mohd. Sharif bin Haji Yusof

MEMBERS
Hoe Kah Soon
Dato' Azmi bin Abdullah

COMPANY SECRETARY

Wong Yim Cheng
MAICSA 7008092

COUNTRY OF DOMICILE & INCORPORATION

Malaysia

LEGAL STATUS

Public listed company limited by shares

REGISTERED OFFICE/ PRINCIPAL PLACE OF BUSINESS

Level 18, Wisma Mont' Kiara
No. 1, Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur
Tel : +603-6411 6388
Fax : +603-6411 6383
Email : enquiry@ireka.com.my
Website : www.ireka.com.my

SHARE REGISTRAR

SYMPHONY SHARE REGISTRARS SDN BHD
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Tel : +603-7841 8000
Fax : +603-7841 8008

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market

STOCK CODES

Shares : 8834
Warrants : 8834WB

AUDITORS

RAJA SALLEH, LIM & CO.
(Audit Firm No. 0071)
29A, Jalan SS22/19
Damansara Jaya
47400 Petaling Jaya
Selangor Darul Ehsan

PRINCIPAL BANKERS

AmBank (M) Berhad
CIMB Bank Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
RHB Bank Berhad
United Overseas Bank (M) Berhad

BOARD OF DIRECTORS

From left to right:
seated : Lai Voon Hon, Haji Mohd. Sharif bin Haji Yusof, Datuk Lai Siew Wah, Datuk Lai Jaat Kong @ Lai Foot Kong, Dato' Azmi bin Abdullah
standing : Lai Voon Huey, Monica, Hoe Kah Soon, Tan Thiam Chai, Chan Soo Har @ Chan Kay Chong, Lai Man Moi

DATUK LAI SIEW WAH *P.G.D.K.*

Aged 75, a Malaysian, is the founder and Executive Chairman of Ireka. He was appointed a Director of Ireka on 31 December 1975 and was made the Managing Director of Ireka on 5 April 1993. He was redesignated as Executive Chairman on 1 April 2015. He is also a Director of several subsidiaries within Ireka Group. He has been active in the construction industry since 1967 during which time he has accumulated vast knowledge and experience in the implementation and management of construction projects.

He is a major shareholder of Ireka, through his interest in Ideal Land Holdings Sdn Bhd.

LAI VOON HON

Aged 51, a Malaysian, is the Group Managing Director of Ireka and the Chief Executive Officer of Ireka Development Management Sdn Bhd. He joined Ireka in 1994 as the Group General Manager and was appointed to the Board of Directors on 18 March 1996. He was made the Group Managing Director of Ireka on 1 April 2015. He is also a Director of several subsidiaries within Ireka Group. He graduated from University College London and Ashridge Management College with a Bachelor of Science (Hons) Degree in Architecture in 1987 and Post-graduate Diploma in Architecture (Dip-Arch) in 1989 and a Master in Business Administration ('MBA') (Distinction) degree in 1993 respectively. An architect by profession, he has practiced in London, Hong Kong and Malaysia prior to joining Ireka. He is a registered Professional Architect with the Board of Architects, Malaysia.

He is currently a Member of the Young Presidents Organisation, Member of the Board of Trustees for the Malaysian AIDS Foundation; as well as a National Committee Member for the International Federation of Real Estate (FIABCI) Malaysia.

He was the Past Council Member of the Master Builder Malaysia, Industrialised Building System Steering Committee Member of the Construction Industry Development Board (CIDB); as well as past President of the Young Entrepreneurs' Organisation Malaysia.

He is a major shareholder of Ireka, through his interest in Ideal Land Holdings Sdn Bhd. He is the son of Datuk Lai Siew Wah.

LAI VOON HUEY, MONICA

Aged 49, a Malaysian, is the Group Deputy Managing Director of Ireka and the Chief Financial Officer of Ireka Development Management Sdn Bhd. She joined Ireka as the Group Financial Controller in 1993 and was appointed to the Board of Directors on 30 June 1999. She was made the Group Deputy Managing Director on 1 April 2015. She is also a Director of several subsidiaries within Ireka Group. She graduated from City University, London, with a Bachelor of Science (Hons) Degree in Accountancy and Economics. She has worked for two international accounting firms in England and Hong Kong prior to joining Ireka. She is a fellow member of several institutes that include the Institute of Chartered Accountants, England and Wales; Chartered Accountants, Malaysia; and the Malaysian Institute of Taxation.

She is a major shareholder of Ireka, through her interest in Ideal Land Holdings Sdn Bhd. She is the daughter of Datuk Lai Siew Wah.

DATUK LAI JAAT KONG @ LAI FOOT KONG *PJN, JSM*

Aged 72, a Malaysian, is an Executive Director of Ireka. He was appointed a Director of Ireka on 13 August 1977 and was made the Deputy Managing Director on 8 May 1993. He was redesignated as Executive Director on 1 April 2015. He is also a Director of several subsidiaries within Ireka Group. He has over 35 years of experience in the construction industry and is actively involved in activities of related trade organization locally and regionally. Currently, he is the Honorary Life President of Master Builders Association Malaysia. He was the Past President/Honorary Advisor of the Master Builders Association Malaysia and had also served as Board Member/Secretary-General/Rapporteur of International Federation of Asia & Western Pacific Contractors' Association (IFAWPCA) and Council Member of ASEAN Constructors Federation (ACF), as Board Member of Construction Industry Development Board Malaysia (CIDB) and National Institute of Occupational Safety and Health (NIOSH).

He is the brother of Datuk Lai Siew Wah.

BOARD OF DIRECTORS cont'd

CHAN SOO HAR @ CHAN KAY CHONG

Aged 69, a Malaysian, is an Executive Director of Ireka. He joined Ireka in 1975 and was appointed to the Board of Directors on 1 April 1990. He is also a Director of several subsidiaries within Ireka Group. He has over 40 years of experience in the construction industry with sound knowledge in building materials and heavy plants and machineries.

He is a major shareholder of Ireka, through his interest in Magnipact Resources Sdn Bhd.

LAI MAN MOI

Aged 67, a Malaysian, is an Executive Director of Ireka. She joined Ireka in 1975 and was appointed to the Board of Directors on 1 April 1990. She is also a Director of several subsidiaries within Ireka Group. She has over 40 years of experience in finance and accounting and is a member of several institutes including the Association of Accounting Technicians, United Kingdom; The International Association of Book-Keepers (UK); and The Institute of Commercial Management.

She is a major shareholder of Ireka, through her interest in Magnipact Resources Sdn Bhd. She is the sister of Datuk Lai Siew Wah and the spouse of Mr Chan Soo Har @ Chan Kay Chong.

TAN THIAM CHAI

Aged 56, a Malaysian, is an Executive Director of Ireka. He was appointed to the Board of Directors on 1 April 2015. He graduated from University of Bristol, United Kingdom, with a Bachelor of Science (Hons) Degree in Civil Engineering. He is an engineer by profession and has been the Chief Executive Officer for Ireka's construction arm, Ireka Engineering & Construction Sdn Bhd since June 2003. He has worked for Ireka for 26 years and brings with him a wealth of expertise and know-how, having led many of the company's major civil engineering and building projects over the years.

HAJI MOHD. SHARIF BIN HAJI YUSOF

Aged 76, a Malaysian, is the Senior Independent Non-executive Director of Ireka. He was appointed to the Board of Directors on 2 January 2002. He is the Chairman of the Audit Committee and a Director of several subsidiaries within Ireka Group. He is a fellow member of the Institute of Chartered Accountants, England and Wales, Malaysian Institute of Accountants and Malaysian Association of Certified Public Accountants. He is also an Independent Non-executive Chairman of AYS Ventures Berhad and Independent Non-executive Director of Atlan Holdings Berhad and Axis REIT Managers Berhad.

HOE KAH SOON

Aged 56, a Malaysian, is an Independent Non-executive Director of Ireka. He was appointed to the Board of Directors on 1 April 2015. He is a member of the Audit Committee of Ireka. He graduated from Universiti Malaya in 1982 with a Bachelor of Accounting (First Class Honours) and in the same year successfully completed the MICPA examinations. He is a management consultant by profession and comes to Ireka with vast experience in helping global and local organisations successfully implement their strategic change programmes. While at Accenture, previously known as Andersen Consulting (1982 to 2006), he assumed numerous country, regional and global leadership roles. He is also an Independent Non-executive Director of IFCA MSC Berhad and Diversified Gateway Solutions Berhad.

DATO' AZMI BIN ABDULLAH

Aged 64, a Malaysian, is an Independent Non-executive Director of Ireka. He was appointed to the Board of Directors on 26 June 2015. He is a member of the Audit Committee of Ireka. He graduated from Universiti Kebangsaan Malaysia (UKM) with a B.A. (Hons) Degree in Economics in 1974. He has an extensive banking experience as he was formerly the First Managing Director/Chief Executive Officer of SME Bank and the Managing Director/Chief Executive Officer of Bumiputera-Commerce Bank Berhad, where he served for more than 26 years in various departments.

He is currently an Independent Non-executive Director of Bank Muamalat Malaysia Berhad and APFT Berhad, a Director of Transnational Insurance Brokers Sdn Bhd, Kumpulan Wang Amanah Pencen (KWAP) and a Director and a member of Investment Committee of Amanah Raya Berhad. He also sits on the board of several other limited companies.

SENIOR MANAGEMENT

From left to right:

1. **WONG YIM CHENG**
   Group Company Secretary
   Ireka Corporation Berhad

2. **LEONARD YEE YUKE DIEN**
   Group General Manager
   Ireka Corporation Berhad

   Chief Executive Officer
   i-Tech Network Solutions Sdn Bhd

3. **YAP KET BIN**
   Chief Operating Officer
   i-Tech Network Solutions Sdn Bhd

4. **RAYMOND CHIN YUN CHOI**
   Chief Operating Officer
   Ireka Development Management Sdn Bhd

5. **NG YAU SIONG**
   Deputy Chief Executive Officer
   Ireka Engineering & Construction Sdn Bhd

6. **CHAN CHEE KIAN**
   Chief Investment Officer
   Ireka Development Management Sdn Bhd

CORPORATE CALENDAR

MAY 2014

- Ireka held its Extraordinary General Meeting at Bukit Kiara Equestrian & Country Resort to seek shareholders' approval for the proposed renounceable two-call rights issue of 56,957,350 new ordinary shares of RM1.00 each together with 56,957,350 free detachable warrants on the basis of 1 rights share with 1 free warrant for every 2 existing ordinary shares held ('Proposal for Rights Issue with Warrants'). The first call of RM0.65 per rights share was payable in cash on application and the second call of RM0.35 was capitalised from Ireka's share premium reserve. The shareholders unanimously approved the proposal.

- Ireka announced its quarterly report on consolidated unaudited results for the financial period ended 31 March 2014.

JUN 2014

- SENI Mont' Kiara, a project managed by Ireka Development Management Sdn Bhd and constructed by Ireka Engineering & Construction Sdn Bhd ('IECSB'), won the World Prix d'Excellence Awards 2014 in High Rise Residential category. SENI Mont' Kiara is a prestigious residential urban resort located on the highest point of Mont' Kiara with impressive views of the Kuala Lumpur city skyline.

JUL 2014

- Ireka completed the Proposal for Rights Issue with Warrants.

AUG 2014

- Ireka announced its quarterly report on consolidated unaudited results for the financial period ended 30 June 2014.

SEP 2014

- Ireka participated in The Edge™ Kuala Lumpur Rat Race 2014, Monica Lai Voon Huey (Currently, the Group Deputy Managing Director) and Chan Chee Kian (Chief Investment Officer, Ireka Development Management Sdn Bhd) represented Ireka in the 1.5km CEO Race coming in second in the Female CEO race and first in Male CEO race, respectively.

- Ireka held its 38th Annual General Meeting at Bukit Kiara Equestrian & Country Resort, Kuala Lumpur.

OCT 2014

- Ireka's flagship CSR programme, IREKA CARES started the fifth and final year of programme, themed 'Sports'. The volunteers conducted various monthly outreach activities for the Homes. The programme served the children of Rumah Hope, Rumah Kanak-Kanak Angels and Lighthouse.

CORPORATE CALENDAR cont'd

OCT 2014

- Venturing into the mid-market property sector, Ireka introduced zenZ – a sisterbrand of i-ZEN. The hallmark of any zenZ property is its dedication to the modern design and practical touches without compromising on style. The essence of zenZ is embodied in the 5E Principles: Economical, Evolutionary, Efficient, Essential and Eco-conscious.

zenZ
An IREKA concept

- IECSB won a RM276.8 million contract from KL Eco City Sdn Bhd for the construction and completion of the main building works for a 41-storey office tower and a 4-storey retail hub in Jalan Bangsar, Kuala Lumpur.

NOV 2014

- IECSB's Imperia Puteri Harbour Project in Johor received the UEM Sunrise Certificate of Achievement Award in recognition for achieving the highest score for SHE Performance 2014 in the Sustainability Campaign 2014 themed "Think Sustainable, Act Responsible" in collaboration with National Institute of Safety and Health.

NOV 2014

- Aloft Kuala Lumpur Sentral hotel, a project managed by Ireka Development Management Sdn Bhd and constructed by IECSB, won The International Real Estate Federation ('FIABCI') Malaysia Property Award 2014 for the Hotel category.

- Ireka announced its quarterly report on consolidated unaudited results for the financial period ended 30 September 2014.

DEC 2014

- IREKA CARES volunteers and Ireka's management held a Christmas Party for children from Rumah Hope, Rumah Kanak-Kanak Angels and Lighthouse to spread festive joy.

DEC 2014

- Ireka proposed to enter into a sale and purchase agreement for the acquisition of a parcel of land located at Pekan Senawang, Daerah Seremban, Negeri Sembilan and subsequent disposal to AEON Co. (M) Bhd.

FEB 2015

- Ireka ushered in the Lunar New Year with a lion dance performance at its head office and at all its offices in Mont' Kiara.
- IREKA CARES celebrated Chinese New Year with underprivileged children. Volunteers organised the sport activities to play with children, i.e. badminton, bowling and swimming at the Bukit Kiara Club, Kuala Lumpur.
- Ireka announced its quarterly report on consolidated unaudited results for the financial period ended 31 December 2014.

MAR 2015

- Ireka Town Hall Address 2015 was held at Aloft Kuala Lumpur Sentral hotel for the 3rd consecutive year for employees to understand the Group's current priorities, business strategy and performance.

- Ireka's Annual Dinner 2015, themed "Back to the Sixties", was also held at the hotel and took place after the Town Hall Address event.
- IECSB successfully completed the construction of Kasia Greens, which consists of 142 terraced houses located in Nilai.
- Ireka announced the key changes at the top of the organisation, bidding farewell to two long-standing Board members, welcoming new ones and changing the roles of some of Ireka's top directors.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT

As a company, Ireka acknowledges its responsibility to its staff, to the environment and to our local communities in which we work and with which we do business. Ireka also actively encourages its staff to recognize these responsibilities and to behave in a responsible manner towards the society in which we function. Below are a few examples of how the company and its staff have shown their commitment to practice responsible corporate behavior and to establish and support initiatives at work.

ENVIRONMENT

We continue to strive to undertake all parts of our business in a responsible manner to protect and improve the environment. Sustainability is a key objective and we aim to optimize resources and reduce wastage in all our sites where possible.

The Infrastructure Unit consistently looks for environmentally-friendly construction materials and technology, and over 70% of materials used are sourced locally.

The Green Committee continues to meet under the auspices of the Property Division and it is tasked to consider and include environmentally friendly design features in its developments. This includes the orientation of buildings, layout design, building materials selection and energy efficient lighting systems, to name a few.

The Technologies Unit's SAFEHOUSE, a secure and ISO certified "green" data centre continues to offer disaster recovery solutions, co-location and managed services. The data centre is designed for efficient energy consumption.

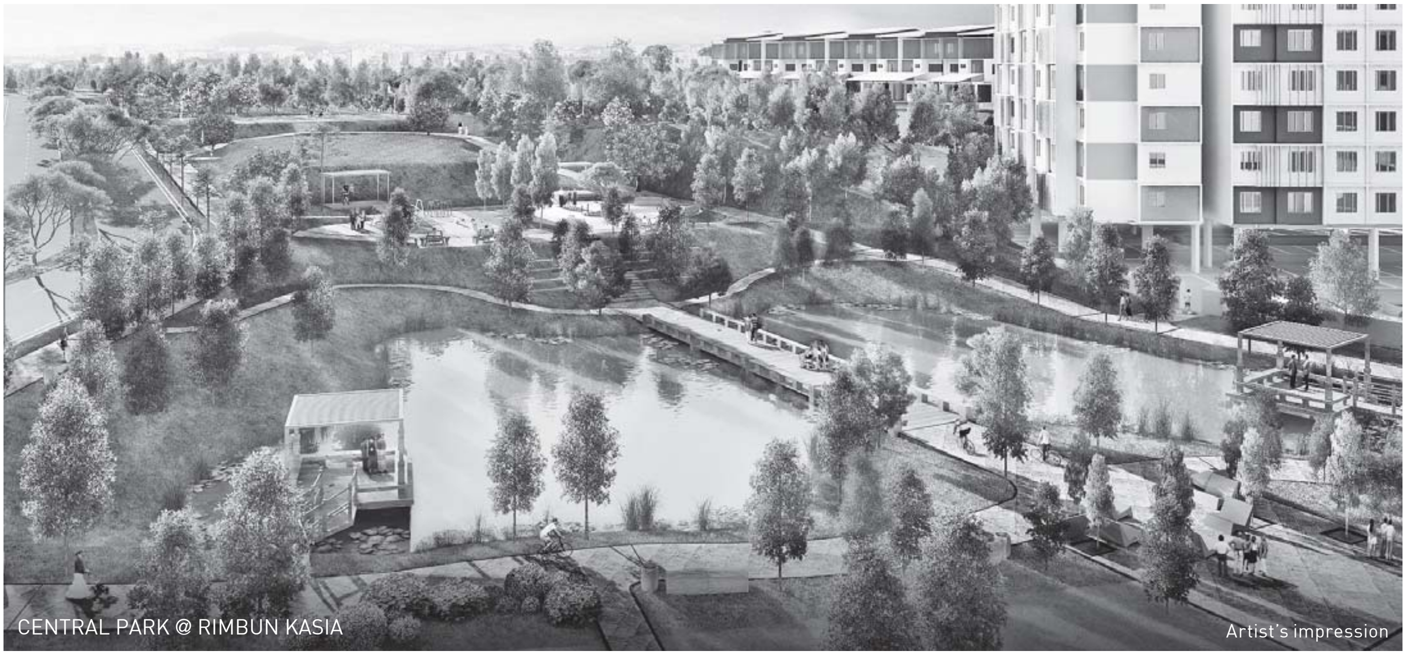
For all its projects, Ireka takes into consideration environment-friendly measures during the project construction stages and also for the future residents of the developments. For example, locally sourced materials will be used to reduce the company's carbon footprint and LED lighting installed to reduce electricity consumption. In the Rimbun Kasia development which contains 6 project parcels, the Central Park and lake covering 2.4 acres is a key feature. The idea is for this lushly landscaped open space to cultivate a healthy community living environment for the neighbourhood. For each of the 6 parcels, 10% of the land has been dedicated to a green landscaped area for the local businesses and residents.

For The RuMa Hotel and Residences Project in the heart of Kuala Lumpur, one of the planning conditions, due to high plot ratio is to achieve GBI Gold certified building status. Here are some efforts to going "green":

- To have Low-E glass for the windows to minimize the sunlight heat transfer into the units
- Lighting motion sensors provided in conjunction with daylighting strategy for all perimeter zones and daylight areas
- "Green materials" like Engineer flooring used for hotel and residence unit floors
- Rainwater harvesting system for landscaped irrigation system
- Landscape creepers to create "green wall" with planter boxes at car park podium

EMPLOYEES

The success of the company is largely down to its staff and Ireka seeks to recruit, retain and develop the best talent for the organization. The welfare of its employees is also of significant



CENTRAL PARK @ RIMBUN KASIA

importance and it aims to create a workplace in which staff can work safely and comfortably. Some of the initiatives for staff include the Ireka Sports & Recreation Club which provides a range of activities for the benefit of staff; the Toastmasters Club that invests in leadership skills for staff; various Health, Safety and Environment (HSE) initiatives that promote a positive and safe work environment for every single employee at its head-quarters and on its sites. IECSB in fact received an award for the highest score for SHE performance in 2014 from UEM Sunrise Berhad for its Imperia Puteri Harbour Project in Nusajaya, Johor.

COMMUNITY INVOLVEMENT

IREKA CARES is the company's flagship community engagement programme, focusing on children, was initiated in 2010. Staff members actively give their time and skills to this programme. IREKA CARES' fifth year focused on the theme of Sports and we worked with three children's home on a monthly basis taking them bowling, swimming and playing badminton. The children thoroughly enjoy this and the interaction with the volunteers on this regular basis has enabled us to build strong bonds with the children.

Ireka also donates money to particular local charities and listed below are those supported by the company during the year:

- Cempaka Buddhist Lodge
- Make-A-Wish, Malaysia
- Malaysia Association Help for the Poor and Terminally Ill
- The Edge Education Foundation
- Grace Community Services
- Kwong Ngai Lion Dance troupe to participate in the World Lion Dance Championships
- Yayasan Nur Jauhar
- EMPOWERED – The Cancer Advocacy Society of Malaysia

MARKETPLACE

Interacting with its shareholders, investors, buyers, owners, suppliers, business associates, regulators and Government is crucial to Ireka and some of the initiatives in place are:

- Investor Relations Policy
- Quarterly CiTi-ZEN magazine
- Customer Relationship Management
- Crisis Communication Processes and Procedures
- Well-defined procurement systems and processes

CORPORATE GOVERNANCE STATEMENT

The Board of Directors remains committed to ensuring that good corporate governance principles continue to be developed and implemented throughout the Group with the ultimate objective of enhancing shareholders' value, whilst taking into account the interests of other stakeholders.

As required under the Main Market Listing Requirements ('Listing Requirements') of Bursa Malaysia Securities Berhad ('Bursa Malaysia'), this Statement reports on how the Malaysian Code on Corporate Governance 2012 ('the Code') are applied by the Group in addition to the Listing Requirements throughout the financial year ended 31 March 2015. Except for matters specifically identified, the Board of Directors has generally complied with the recommendations set out in the Code.

A. THE BOARD OF DIRECTORS

i. The Board

The Group is led by an effective Board which comprises members of calibre from a diverse blend of professional backgrounds ranging from business, legal, finance and accounting experience. The Board views its current composition encompasses right mix of skills and strength in qualities which are relevant and enable the Board to discharge its responsibilities in an effective and competent manner. The profiles of these Directors are provided on pages 22 to 25 of the Annual Report.

The Board has the overall responsibility in determining and leading the Group's strategic decision. It oversees the conduct of the Group's businesses, ensuring appropriate control system is in place as well as regularly reviewing such system to ensure its adequacy in midst of the competitive business environment, the succession planning of senior management and the implementation of investor relations programme.

ii. Board Charter

The Board has a Board Charter which sets out the functions, roles and responsibilities of the Board as well as the various internal processes and principles governing the Board. The Board Charter also serves as a source of reference and primary induction literature, providing insights to new Board members.

The Board Charter will be reviewed from time to time and updated in accordance with the requirements of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

The Board Charter is available for reference at the Company's website at www.ireka.com.my.

iii. Code of Conduct

The Board observes the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia ('Code of Ethics'). The Code of Ethics sets out the standard of conduct and ethical behaviour for the Board, based on the principles of sincerity, integrity, responsibility and corporate social responsibility. To inculcate good ethical conduct, the Group has established a Code of Conduct for employees, encapsulated in the Group's Human Resource Policies, which has been communicated to all levels of employees in the Group.

iv. Sustainability

The Company is committed to deliver long-term sustainable values to the stakeholders of the Company. The Company's employees' welfare, workforce, marketplace, environment and communities are integral part of the Company's social obligation in conducting its business. Details of the Company's social activities are disclosed in the Corporate Social Responsibility Statement of the Company's Annual Report.

v. Board Balance and Independence

For the financial year under review, the Board has nine (9) members comprising an Independent Non-executive Chairman, two (2) Independent Non-executive Directors and six (6) Executive Directors. Currently the Board has ten (10) members comprising an Executive Chairman, three (3) Independent Non-executive Directors and six (6) Executive Directors.

There is a clear division of responsibility between the Chairman and the Group Managing Director to ensure that there is a balance of power and authority. The Chairman is primarily responsible for ensuring Board effectiveness whilst the Managing Director is responsible for the competent and efficient management of the business and operation.

The Board has a balance composition with presence and participation of Independent Non-executive Directors that bring independent judgment to Board decisions. The role of these Independent Non-executive Directors is particularly important in ensuring that the strategies proposed by the executive management are fully deliberated and decisions are arrived at after taking into account the interest of the Group.

The Board has identified Haji Mohd. Sharif bin Haji Yusof as the Senior Independent Non-executive Director to whom concerns relating to the Company may be conveyed by shareholders and stakeholders.

vi. Tenure of Independent Directors

The Board noted the recommendation of the Code on the tenure of independent directors should not exceed a cumulative term of nine (9) years. In line with the said recommendation, two (2) of the Independent Non-executive Directors of the Company, namely Haji Ir. Abdullah bin Yusof and Kwok Yoke How, who had served on the Board for more than nine (9) years, retired from the Board of the Company on 31 March 2015. To ensure smooth transition on the new Board composition, the Board has proposed to retain Haji Mohd. Sharif bin Haji Yusof as Independent Non-executive Director who has served on the Board for more than nine (9) years.

The Board has reviewed and determined that Haji Mohd. Sharif bin Haji Yusof remains objective and independent in expressing his views and in participating in deliberations and decision making of the Board and Board Committees. The length of his service on the Board does not in any way interfere with his exercise of independent judgment and ability to act in the best interest of the Company.

The Independent Non-executive Directors do not participate in the day-to-day management of the Company and they remain free of material business or relationship with the Company which could reasonably be perceived to materially interfere with their exercise of independent judgment. The suitability and ability of an Independent Director to carry out his roles and responsibilities effectively are very much a function of his calibre, qualifications, experience and personal qualities.

The Board does not impose a term of limit for Independent Non-executive Directors as the Board believes that continued contribution provides benefits for the Board and the Company as a whole. The Board is of the view that there are significant advantages to be gained from the long-serving Independent Non-executive Directors who provide invaluable insight and possesses knowledge of the affairs of the Company.

Haji Mohd. Sharif bin Haji Yusof, being above 70 years old, is annually subject to re-appointment by shareholders at the annual general meeting in accordance with Section 129 of the Companies Act, 1965. The Board is recommending to shareholders for approval to retain him as Independent Non-executive Director at the forthcoming annual general meeting of the Company. Details of the ordinary resolution seeking the re-appointment of Haji Mohd. Sharif bin Haji Yusof as an Independent Non-executive Director is set out in the notice of the 39th Annual General Meeting of the Company.

CORPORATE GOVERNANCE STATEMENT cont'd

vii. Board Meetings and Supply of Information

The Board meets at least five (5) times a year, with additional meetings being held as and when necessary. During the year ended 31 March 2015, the Board met for a total of five (5) times and their respective attendance are as follows:

Name of Directors	Attendance
Datuk Lai Siew Wah *P.G.D.K.*	5/5
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*	5/5
Lai Voon Hon	5/5
Lai Voon Huey, Monica	5/5
Chan Soo Har @ Chan Kay Chong	5/5
Lai Man Moi	5/5
Haji Mohd. Sharif bin Haji Yusof	5/5
Haji Ir. Abdullah bin Yusof *(retired w.e.f. 31 March 2015)*	5/5
Kwok Yoke How *(retired w.e.f. 31 March 2015)*	4/5

All Board members are provided with Board report containing relevant documents and information prior to board meeting to enable the Directors to discharge their duties effectively. All Directors have the right and duty to make further enquiries where they consider necessary. Members of the senior management team are invited to provide insight and to furnish clarification on issues that may be raised by the Board. At the quarterly board meetings, the Board reviews and discusses the business performance of the Group. All proceedings of the Board meetings covering the deliberations of issues and the conclusions are recorded in the minutes and later confirmed by the Board.

The Board, whether as a full Board or in their individual capacity, has access to all information pertaining to the Group's business affairs and right to seek independent professional advice, if necessary, at the Group's expense, to enable them to discharge their duties effectively.

In addition, all Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that the Board meeting procedures, applicable rules and regulations are adhered to. The Directors may also seek advice from the management on issues under their respective purview.

viii. Appointments to the Board

All Board appointments are approved by the Board upon the recommendation of the Nomination Committee. The composition of the Nomination Committee has been restructured following the retirement of Haji Ir. Abdullah bin Yusof and Kwok Yoke How. Currently, the Nomination Committee is made up exclusively of Independent Non-executive Directors namely Haji Mohd. Sharif bin Haji Yusof (Chairman), Hoe Kah Soon and Dato' Azmi bin Abdullah.

The Nomination Committee is responsible for identifying, recruiting and recommending candidates for directorships and also to fill the seats of Board Committees. For new appointments to the Board, the Nomination Committee shall consider, within the bounds of practicability, any proposals for new appointment for evaluation and recommendation. In addition, the Nomination Committee assesses the effectiveness of the Board as a whole and the Board Committees, and also the contribution of each Director. The Board, through the Nomination Committee, reviews periodically the succession plans of the Board, its required mix of skills and experience and other qualities, including core competencies, which Non-executive Directors should bring to the Board. All assessments and evaluations carried out by the Nomination Committee in the discharge of all its functions are properly documented.

ix. Directors' Training

All the Directors of the Company have attended the Mandatory Accreditation Programme prescribed by Bursa Malaysia and from time to time attended training programmes, seminars and talks to keep abreast with recent developments of the state of economy, management strategies and practices, laws and regulations to enhance their knowledge and skills in order to discharge their duties effectively. In addition, the Company Secretary updated the Directors the changes to the Listing Requirements and key corporate governance developments from time to time.

The training programmes and briefings attended by the Directors during the financial year ended 31 March 2015 are as follows:

Name of Directors	Title of trainings/briefings/workshops
Datuk Lai Siew Wah *P.G.D.K.*	• GST Awareness Programme • Construction Industry Payment and Adjudication Act 2012 • Personal Data Protection Act (PDPA) Compliance Talk
Lai Voon Hon	• Advocacy Sessions on Corporate Disclosure for Directors of Listed Issuers by Bursa Malaysia • World Class Sustainable Cities 2014 • PAM Housing Forum 2.0 and Professional Practice Forum • Construction Industry Payment and Adjudication Act 2012
Lai Voon Huey, Monica	• Construction Industry Payment and Adjudication Act 2012 • Advocacy Sessions on Corporate Disclosure for Directors of Listed Issuers by Bursa Malaysia • Personal Data Protection Act (PDPA) Compliance Talk • Investment Outlook 2015 • Wealth Management Landscape 2015 • Economic & Product Update • CAP 10 ASEAN Capital Market CEO Summit 2015 • The Business of Innovation 2015 • GST Awareness Programme
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*	• Industry Master Plan II • Construction Industry Payment and Adjudication Act 2012 • One Build Seminar • Doing Business with Guangdong, China • 6th Malaysian Construction Summit • Personal Data Protection Act (PDPA) Compliance Talk
Chan Soo Har @ Chan Kay Chong	• Construction Industry Payment and Adjudication Act 2012 • Advocacy Sessions on Corporate Disclosure for Directors of Listed Issuers by Bursa Malaysia • Personal Data Protection Act (PDPA) Compliance Talk
Lai Man Moi	• Advocacy Sessions on Corporate Disclosure for Directors of Listed Issuers by Bursa Malaysia • Construction Industry Payment and Adjudication Act 2012 • Maybank Market Outlook 2015

CORPORATE GOVERNANCE STATEMENT cont'd

Name of Directors	Title of trainings/briefings/workshops
Haji Mohd. Sharif bin Haji Yusof	• Related Party Transaction Reporting and Disclosure • Presentation of Personal Data Protection Act 2010 • Construction Industry Payment and Adjudication Act 2012
Haji Ir. Abdullah bin Yusof	• Advocacy Sessions on Corporate Disclosure for Directors of Listed Issuers by Bursa Malaysia • Audit Committee Conference 2015 – Rising to New Challenges • Construction Industry Payment and Adjudication Act 2012
Kwok Yoke How	• Construction Industry Payment and Adjudication Act 2012 • Personal Data Protection Act (PDPA) Compliance Talk

x. Boardroom and Gender Diversity

The Board is aware of the importance of boardroom diversity including diversity in ethnicity and age to maintain an optimal board balance. However, the Board is of the view that the selection criteria of a Director, based on the candidates' competency, skills, character, knowledge and experience should remain a priority.

While the Board supports gender diversity in the Board composition as recommended by the Code, the Board has not established any gender diversity policy. When given the opportunity of meeting the suitable female candidates, the Board through its Nomination Committee will consider gender diversity as part of its future selection process. Presently, Lai Voon Huey, Monica and Lai Man Moi are the female Directors comprised in the Board of ten (10) Directors.

xi. Re-election of Directors

Article 91(3) of the Company's Articles of Association (the 'Articles') provides that all Directors shall retire from office at least once in every three years, but shall be eligible for re-election.

At the forthcoming Annual General Meeting, the following Directors retiring pursuant to Article 91(3) of the Articles, and being eligible, offered themselves for re-election:

(i) Chan Soo Har @ Chan Kay Chong;
(ii) Lai Man Moi; and
(iii) Lai Voon Hon.

Article 98 of the Articles provides that all Directors who are appointed by the Board either to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the next following annual general meeting and shall be eligible for re-election. Accordingly, the three (3) newly appointed Directors, Tan Thiam Chai, Hoe Kah Soon and Dato' Azmi bin Abdullah, will be subject to re-election at the forthcoming Annual General Meeting subsequent to their appointment.

In addition, the following Directors who are of or over the age of seventy years, retiring in accordance with Section 129 of the Companies Act, 1965, and being eligible, offered themselves for re-appointment:

(i) Datuk Lai Siew Wah *P.G.D.K.*;
(ii) Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*; and
(iii) Haji Mohd. Sharif bin Haji Yusof.

The Directors retiring pursuant to Section 129 of the Companies Act, 1965 may be re-appointed by a majority of not less than three-fourths of such members of the Company at the meeting. The Nomination Committee has assessed the performance of the abovementioned Directors and recommended to the Board for their re-election and re-appointment to be tabled for shareholders' approval at the forthcoming Annual General Meeting.

xii. Commitment of the Board

The Board is satisfied with the amount of time committed by the Board in discharging their duties and roles as Directors of the Company. All the Directors of the Company complied with the Listing Requirements on the number of directorships held in the public listed companies, which is not more than five (5) directorships.

An annual corporate meeting calendar is prepared in advance and circulated to all Board members before the beginning of every year which provides the scheduled meetings dates for the Board, Board Committees and the Annual General Meeting to be organized by the Company to facilitate the planning of Directors' time.

B. DIRECTORS' REMUNERATION

i. The Level and Make-up of Remuneration

The Board has adopted the objective as recommended by the Code to determine the remuneration for a Director so as to ensure it is sufficient to attract, retain and motivate the Directors needed to manage the Group successfully. In the case of Executive Directors, the component parts of remuneration are structured so as to link rewards to corporate and individual performance. In the case of Non-executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the particular Non-executive Directors concerned.

ii. Procedure

The composition of the Remuneration Committee has been restructured following the retirement of Kwok Yoke How. Currently, the Remuneration Committee consists of a majority of Non-executive Directors namely Haji Mohd. Sharif bin Haji Yusof (Chairman), Datuk Lai Siew Wah and Hoe Kah Soon. The Remuneration Committee is responsible for recommending the remuneration packages of Executive Directors for consideration and approval by the Board. The Executive Directors play no part in decision on their own remuneration. The Remuneration Committee reviews the remuneration packages of Executive Directors based on their responsibilities and scope of work, corporate and individual performance, drawing from outside advice as necessary.

The determination of the remuneration of the Non-executive Directors is a matter for the Board as a whole. The Company reimburses reasonable expenses incurred by these Directors in the course of their duties as Directors. Non-executive Directors do not participate in decision on their own remuneration packages.

The Directors' fees are recommended by the Board and approved by the shareholders at the Annual General Meeting.

CORPORATE GOVERNANCE STATEMENT cont'd

iii. Disclosure

The details of the remuneration of the Directors during the financial year ended 31 March 2015 are as follows:

1. Aggregate remuneration of the Directors categorized into appropriate components:

	Salaries (RM'000)	Fees (RM'000)	Bonus & Incentives (RM'000)	Benefits-In-Kind (RM'000)	Total (RM'000)
Executive Directors	4,219	234	0	0	4,453
Non-executive Directors	0	106	0	0	106

2. Number of Directors whose remuneration during the financial year falls into the following bands:

	Number of Directors	
Range of Remuneration	Executive	Non-executive
RM50,000 and below	–	3
RM600,001 – RM650,000	2	–
RM650,001 – RM700,000	1	–
RM700,001 – RM750,000	1	–
RM800,001 – RM850,000	1	–
RM950,001 – RM1,000,000	1	–

C. SHAREHOLDERS

i. Dialogue between the Company and Investors

The Board values regular communications with shareholders and investors. These include various announcements made during the year, the timely release of annual reports, circulars to shareholders, press releases, announcements on quarterly and annual financial results, which provide shareholders with an overview of the Group's business and financial performances. The Chairman and Executive Directors hold discussions with shareholders and journalists immediately after general meetings. The Executive Directors together with the Management also hold regular meetings with analysts and investors to present and update on the Group's strategy, performance and major developments.

In addition, the Group has a website, www.ireka.com.my that shareholders and investors can access for up-to-date information. To maintain a high level of transparency and to effectively address any issues or concerns, the Group has a dedicated electronic mail, i.e. enquiry@ireka.com.my to which stakeholders can direct their queries or concerns.

ii. Dividend Policy

The Company has established a Dividend Policy of distributing a minimum of 40% of the Group's net earnings to its shareholders, subject to a number of factors which include availability of distributable reserves and the Group's future cash flow requirements.

iii. Annual General Meeting

The Annual General Meeting is the principal forum for dialogue and interaction with the shareholders. The Board presents an overview of the performance of businesses in the Group to keep the shareholders informed and updated on current developments of the Group. All shareholders are encouraged to participate in the question and answer sessions. Every opportunity is given to the shareholders to ask questions and seek clarification on the business and affairs of the Company and the Group.

Notice of the Annual General Meeting and related papers are sent out to the shareholders at least 21 days before the date of the meeting.

Each item of special business included in the notice of the meeting will be accompanied by a full explanation of the purpose and effect of a proposed resolution. The Chairman declares the number of proxy votes received both for and against each resolution. The outcome of all resolutions proposed at the general meeting is announced via Bursa LINK at the end of the meeting day.

D. ACCOUNTABILITY AND AUDIT

i. Financial Reporting

The Board aims to present a balanced, clear and meaningful assessment of the Group's position and prospect in all their reports to the shareholders, investors and regulatory authorities. This assessment is primarily provided in the Annual Report through the Chairman's Statement, Management Discussion & Analysis and annual financial statements.

The timely quarterly results announcements also reflect the Board's commitment to give regular updated assessment on the Group's performances.

ii. Statement of Directors' Responsibility for preparing the Financial Statements

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

In preparing the financial statements, the Directors have:

- applied suitable and approved accounting policies consistently;
- made reasonable, prudent judgments and estimates;
- ensured strict adherence of all applicable accounting standards; and
- prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and the Group which enable them to ensure that the financial statements comply with the financial reporting standard and the Companies Act, 1965 in Malaysia.

CORPORATE GOVERNANCE STATEMENT cont'd

The Directors have overall responsibilities to take such steps as reasonably available to them to safeguard the assets of the Group, to prevent and detect fraud and other irregularities.

iii. Internal Control

The Group's Statement on Risk Management and Internal Control is set out on pages 41 to 42.

iv. Relationship with the Auditors

The role of the Audit Committee in relation to the external auditors is stated on page 45.

v. Audit Committee

The current Audit Committee comprises three (3) Independent Non-executive Directors. The Chairman of the Audit Committee is a member of the Malaysian Institute of Accountants. The composition and report of the Audit Committee for the year ended 31 March 2015 are set out on pages 43 to 45 of this Annual Report.

DATUK LAI SIEW WAH *P.G.D.K.*
Executive Chairman

LAI VOON HON
Group Managing Director

28 August 2015

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Pursuant to paragraph 15.26(b) of the Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Main Market Listing Requirements, the Board of Directors of Ireka Corporation Berhad is pleased to report to the shareholders the state of risk management and internal controls of the Group for the financial year ended 31 March 2015. This Statement has been prepared in accordance with the above requirements and as guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers.

RESPONSIBILITY

The Board acknowledges its overall responsibility for the Group's system of risk management and internal controls, which includes the establishment of an appropriate control environment and framework, reviewing the integrity, effectiveness and adequacy of these systems to ensure that the Group's assets and the shareholders' interests are safeguarded.

Due to the inherent limitations in any system of risk management and internal controls, the system put in place by Management can only reduce rather than eliminate all risks of failure to achieve the Group's business objectives. Consequently, the system can only provide reasonable but not absolute assurance against material misstatement, loss or fraud. The Group's system of risk management and internal controls does not apply to the associate companies.

The Board is of the view that the system of risk management and internal controls in place for the year under review and up to the date of issuance of this Statement, is appropriate to business operations and that risks taken are at a reasonable level within the operations of the Group. The Board has received assurance from the Group Managing Director and Chief Financial Officer that the Group's system of risk management and internal controls is operating adequately and effectively, in all material aspects, based on the system of risk management and internal controls of the Group.

RISK MANAGEMENT

The Board recognises that an effective risk management practices is essential for the Group in pursuit of its corporate objectives, in today's challenging business environment. Key Management staff and Divisional Heads are delegated with the responsibilities for identification and management of risks in their day-to-day operations within defined parameters and standards. The deliberation of risks and related mitigating responses are carried out at the divisional monthly meetings attended by the Executive Directors and Key Management staff. Significant risks are communicated to the Board at their scheduled meetings.

The above mentioned practices are the initiatives carried out by Management for the ongoing identification and mitigation of risks of the Group. The Board shall continue to evaluate the Group's existing risk management process to ensure it is appropriate and continues to remain relevant to the Group's requirements.

INTERNAL AUDIT FUNCTION

The Group's Internal Audit function is outsourced to professional service firm to assist the Board and Audit Committee in providing independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system. The Internal Auditors report directly to the Audit Committee.

During the financial year ended 31 March 2015, the Internal Audit function carried out audit reviews in accordance with the internal audit plan approved by the Audit Committee. The results of the audit reviews and the recommendations for improvement were presented to the Audit Committee at their quarterly meetings. In addition, follow up visits were also conducted to ensure that corrective action plans have been implemented in a timely manner and the results of the follow up reviews were also presented to the Audit Committee at their quarterly meetings.

The total costs incurred for the outsourcing of the Internal Audit function for the financial year ended 31 March 2015 was RM55,228.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL cont'd

OTHER KEY ELEMENTS OF INTERNAL CONTROL

The other key elements of the Group's internal control systems are described as follows:

- clearly defined delegation of responsibilities to committees of the Board and to Management of operating units, including authorization levels for all respects of the business which are set out in the authority matrix;
- clearly documented internal procedures in respect of operational and financial processes as set out in the MS ISO Quality System Documents and the Financial Processes Manual;
- regular and comprehensive information provided to Management, covering financial performance and key business indicators;
- a detailed budgeting process where operating units prepare budgets for coming year;
- monitoring of results against budget, with major variances being followed up and management actions taken, where necessary;
- regular visits to operating units by Board members and Senior Management;
- regular review of business to assess effectiveness of internal controls;
- review and approval of annual internal audit plan by the Audit Committee on behalf of the Board; and
- compliance with the Group's rules and regulations and employee conduct as set out in the Group's Human Resource Policies.

REVIEW OF STATEMENT

The external auditors have reviewed this Statement for inclusion in the Annual Report 2015, and reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of risk management and internal controls.

CONCLUSION

There have been no significant weaknesses noted during the year which have resulted in any material losses. The Board is of the view that the Group's system of risk management and internal controls is adequate and effective to safeguard shareholders' investments and the Group's assets. However, the Board is also cognizant of the fact that the Group's system of risk management and internal controls practices must continuously evolve to meet the changing and challenging business environment. Therefore, the Board shall continue to take appropriate and necessary measures to further enhance the existing system of risk management and internal controls.

This statement is made in accordance with the Board's resolution dated 28 August 2015.

AUDIT COMMITTEE REPORT

The Board of Directors is pleased to present the Audit Committee Report for the financial year ended 31 March 2015.

COMPOSITION

The composition of the Audit Committee during the year and at the date of this report is as follows:

1. Haji Mohd. Sharif bin Haji Yusof - Chairman
2. Hoe Kah Soon - Member (appointed w.e.f. 1 April 2015)
3. Dato' Azmi bin Abdullah - Member (appointed w.e.f. 26 June 2015)
4. Kwok Yoke How - Member (retired w.e.f. 31 March 2015)
5. Haji Ir. Abdullah bin Yusof - Member (retired w.e.f. 31 March 2015)

TERMS OF REFERENCE

(i) Membership

- The Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three (3) members, a majority of whom shall be independent directors.
- At least one (1) member of the Committee must be a member of the Malaysian Institute of Accountants or similar qualification as prescribed in Part I or Part II of the First Schedule of the Accountants Act, 1967 with at least 3 years' working experience.
- No Alternate Director may be appointed as a member of the Committee.
- The members of the Committee shall elect a Chairman from among their members who shall be an Independent Non-executive Director.
- In the event of any vacancy in the Committee resulting in the number of Directors falling below three (3) members, the Board of Directors must fill the vacancy within three (3) months to make up the minimum number of three (3) members.
- The Board shall review the terms of office and performance of the Committee and each of its members at least once every three (3) years to determine whether the Committee and its members have carried out their duties in accordance with their terms of reference.

(ii) Authority

- The Committee is authorised by the Board to investigate any matter within its terms of reference.
- The Committee is authorised to obtain any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
- The Committee shall have unrestricted access to any information pertaining to the Group, from both the internal and external auditors, and have the power to carry out Internal Audit function or activity and is able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.
- The Committee is authorised to obtain external legal or other independent professional advice as necessary.

(iii) Duties and Responsibilities

The duties of the Committee shall be among others:

(a) To review the following and report the same to the Board of Directors:

- with the external auditors, the audit plan;
- with the external auditors, their evaluation of the system of internal controls;
- with the external auditors, the audit report, in the absence of management where necessary;
- the assistance given by the employees of the Company to the external auditors;
- the adequacy of the scope, functions and resources of the Internal Audit function and that it has the necessary authority to carry out its work;

AUDIT COMMITTEE
REPORT cont'd

- 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;

- the quarterly results and year end financial statements, prior to the approval by the board of directors, focusing particularly on:

  (i) changes in or implementation of major accounting policy;

  (ii) compliance with accounting standards and other legal requirements; and

  (iii) significant and unusual events.

- any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;

- any letter of resignation from the external auditors of the Company; and

- whether there is a reason (supported by grounds) to believe that the Company's external auditors are not suitable for re-appointment.

(b) To promptly report to the Bursa Malaysia Securities Berhad of matters reported by the Audit Committee to the Board of Directors which have not been satisfactorily resolved, resulting in a breach of the Bursa Malaysia Securities Berhad's Listing Requirements.

(c) To recommend the nomination of a person or persons as external auditors.

(d) To engage on a continuous basis with senior management, such as the Chairman of the Board, the Executive Director(s), the Head of Finance, the internal auditors and the external auditors in order to be kept informed of matters affecting the Company, when necessary.

(iv) Meetings

- Meetings shall be held not less than four (4) times a year. In addition, the Chairman is required to call for a meeting of the Committee, if requested to do so by any Committee members, any Executive Directors or the external auditors.

- A quorum shall be two (2) members, majority of whom must be independent directors.

- Other directors and employees may attend any particular Audit Committee meeting only at the Committee's invitation, specific to the relevant meeting.

- The Company Secretary shall be the Secretary to the Committee.

(v) Reporting procedure

- The Secretary shall be responsible for keeping the minutes of meetings of the Committee and circulating them to all members of the Committee and other members of the Board. The Chairman of the Committee shall report on each meeting to the Board.

ATTENDANCE OF AUDIT COMMITTEE MEETINGS

The Committee held five (5) meetings during the financial year ended 31 March 2015 and the details of the meeting attendance of each of the members are as follows:

Members	Attendance
Haji Mohd. Sharif bin Haji Yusof	5/5
Kwok Yoke How	4/5
Haji Ir. Abdullah bin Yusof	5/5

The Executive Director/Group Financial Controller attended these meetings upon the invitation of the Chairman of Audit Committee. The external auditors and internal auditors were also invited to attend these meetings when matters relating to their scope of works were discussed.

SUMMARY OF ACTIVITIES

During the financial year 2015, the Audit Committee carried out its duties as set out in the terms of reference. The main activities carried out by the Audit Committee encompassed the following:

(i) Financial Reporting

- Reviewed the quarterly and year-to-date unaudited financial results of the Group before tabling to the Board for consideration and approval.

- Reviewed the reports and annual audited financial statements of the Company and of the Group together with the external auditors prior to tabling to the Board for approval.

(ii) External Audit

- Reviewed and discussed the external auditors' audit plan for the year and areas of concern highlighted in the management letter, including management's response to the concerns raised by the external auditors.

- Discussed on significant accounting and auditing issues, impact of new or proposed changes in accounting standards and regulatory requirements.

(iii) Internal Audit

- Reviewed the internal audit plan to ensure proper and adequate focus is placed on the Group's activities.

- Reviewed the internal audit reports which highlighted audit issues, recommendations and the Management's responses and where necessary, directed measures in addition to the internal auditors' recommendations to enhance the system of internal controls.

(iv) Related Party Transactions

- Reviewed all related party transactions entered into by the Company and the Group to ensure that such transactions are undertaken at arm's length and on normal commercial terms.

- Reviewed the actual values of recurrent related party transactions entered into by the Company and the Group against the approved estimated values mandated by shareholders.

INTERNAL AUDIT FUNCTION

The Group's Internal Audit function, which is outsourced to a professional service firm, is an integral part of the assurance mechanism in ensuring that the Group's system of internal controls is adequate and effective. The Internal Audit function reports directly to the Audit Committee.

On an annual basis, an internal audit plan is tabled to the Audit Committee for review and approval, and the Internal Audit function executes the audits based on the approved plan. The results of the audit reviews are periodically reported to the Audit Committee. In addition, the Internal Audit function carries out follow up reviews to ensure that previously reported issues have been adequately addressed by Management and the results of such reviews are also periodically reported to the Audit Committee. Although a number of internal control weaknesses were identified, none of the weaknesses have resulted in any material losses that would require separate disclosure in this annual report.

5-YEAR FINANCIAL HIGHLIGHTS

GROUP	12 MONTHS to 31.03.11	12 MONTHS to 31.03.12	12 MONTHS to 31.03.13	12 MONTHS to 31.03.14	12 MONTHS to 31.03.15
IN RM'000					
Revenue	443,952	429,890	329,932	289,676	**426,203**
Profit/(Loss) before taxation	(11,092)	14,121	(38,427)	(25,681)	**(2,881)**
Profit/(Loss) after taxation and minority interest	(11,742)	10,402	(40,213)	(27,318)	**(2,419)**
Issued share capital	113,914.7	113,914.7	113,914.7	113,914.7	**170,872.1**
Shareholders' funds	220,206	224,844	178,812	151,746	**185,831**
Total assets	571,733	593,796	511,964	543,752	**547,106**
IN SEN					
Gross dividend per share	5.0	5.0	–	–	**3.0***
Net earnings per share – Basic	(10.3)	9.1	(35.3)	(22.3)**	**(1.54)**
Net tangible assets per share	193.3	197.4	157.0	133.2	**108.8**
IN PERCENTAGE					
Return on shareholders' fund	(5.3)	4.6	(22.5)	(18.0)	**(1.3)**
Gearing	81	78	85	125	**82**
Gearing (net of cash)	60	60	75	101	**66**

Note:
* Subject to the approval by shareholders of the Company at the 39th Annual General Meeting.
** This figure has been revised from (24.0) to (22.3) in compliance with the requirements of Malaysian Financial Reporting Standards 133.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services.

The principal activities of the subsidiaries within the Group are stated in Note 8 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
(Loss)/Profit before tax	(2,881,268)	2,270,334
Taxation	462,569	–
(Loss)/Profit for the year	(2,418,699)	2,270,334
Attributable to:		
Owners of the Company	(2,418,699)	2,270,334

DIVIDENDS

At the forthcoming Annual General Meeting, a first and final single-tier dividend in respect of the financial year ended 31 March 2015 of RM5,126,162 (3 sen net per ordinary share), based on single-tier dividend of 3% on 170,872,050 ordinary shares, will be proposed for shareholders' approval. The financial statements for the current financial year has not reflected this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2016.

DIRECTORS OF THE COMPANY

The Directors who held office during the year since the date of the last report and at the date of this report are:

Datuk Lai Siew Wah *P.G.D.K.*
Lai Voon Hon
Lai Voon Huey
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*
Chan Soo Har @ Chan Kay Chong
Lai Man Moi
Haji Mohd. Sharif Bin Haji Yusof
Tan Thiam Chai – Appointed w.e.f. 1.4.2015
Hoe Kah Soon – Appointed w.e.f. 1.4.2015
Dato' Azmi Bin Abdullah – Appointed w.e.f. 26.6.2015
Haji Ir. Abdullah Bin Yusof – Resigned w.e.f. 31.3.2015
Kwok Yoke How – Resigned w.e.f. 31.3.2015

DIRECTORS' BENEFITS

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

No Director has, since the end of the previous financial year, received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors 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 disclosed in Note 36 to the financial statements.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interests of Directors in office at the end of the financial year in ordinary shares and warrants of the Company were as follows:

INTEREST IN ORDINARY SHARES OF THE COMPANY:

Number of ordinary shares of RM1 each

Direct Holding-	At 1.4.2014	Allotment (i)	Addition	Disposal	At 31.3.2015
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*	5,048,100	2,924,050	691,600	–	8,663,750
Chan Soo Har @ Chan Kay Chong	2,184,750	1,092,375	–	–	3,277,125
Lai Man Moi	2,040,750	720,375	–	(600,000)	2,161,125
Lai Voon Hon	12,000	6,000	–	–	18,000
Lai Voon Huey	6,000	3,000	–	–	9,000
Indirect Holding-					
Datuk Lai Siew Wah *P.G.D.K.* (iii)	49,001,998	24,500,999	–	–	73,502,997
Lai Voon Hon (iii)	49,001,998	24,500,999	–	–	73,502,997
Lai Voon Huey (iii)	49,001,998	24,500,999	–	–	73,502,997
Chan Soo Har @ Chan Kay Chong (iv)	15,398,248	7,699,124	–	–	23,097,372
Lai Man Moi (iv)	15,398,248	7,699,124	–	–	23,097,372

INTEREST IN WARRANTS OF THE COMPANY:

Number of warrants 2014/2019

Direct Holding-	At 1.4.2014	Allotment (ii)	Addition	Disposal	At 31.3.2015
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*	–	2,924,050	–	–	2,924,050
Chan Soo Har @ Chan Kay Chong	–	1,092,375	–	–	1,092,375
Lai Man Moi	–	720,375	–	–	720,375
Lai Voon Hon	–	6,000	–	–	6,000
Lai Voon Huey	–	3,000	–	–	3,000

DIRECTORS' REPORT cont'd

INTEREST IN WARRANTS OF THE COMPANY (CONT'D):

Number of warrants 2014/2019 (cont'd)

Indirect Holding-	At 1.4.2014	Allotment (ii)	Addition	Disposal	At 31.3.2015
Datuk Lai Siew Wah *P.G.D.K.* (iii)	–	24,500,999	–	–	24,500,999
Lai Voon Hon (iii)	–	24,500,999	–	–	24,500,999
Lai Voon Huey (iii)	–	24,500,999	–	–	24,500,999
Chan Soo Har @ Chan Kay Chong (iv)	–	7,699,124	–	–	7,699,124
Lai Man Moi (iv)	–	7,699,124	–	–	7,699,124

(i) Allotment of ordinary shares pursuant to the renounceable two-call rights issue on the basis of 1 rights share with 1 free warrant for every 2 existing ordinary shares of RM1.00 each held in the Company ("Rights Issue")
(ii) Allotment of warrants pursuant to the Rights Issue
(iii) Deemed interest through Ideal Land Holdings Sdn Bhd
(iv) Deemed interest through Green Rivervale Holdings Sdn Bhd

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the statements of changes in equity.

ISSUE OF SHARES AND DEBENTURES

On 26 June 2014, the Company increased its issued and paid-up share capital from RM113,914,700 to RM170,872,050 by way of a renounceable two-call rights issue of 56,957,350 new ordinary shares of RM1.00 each in the Company ("Rights Share(s)") together with 56,957,350 free detachable warrants ("Warrant(s)") on the basis of one (1) Rights Share with one (1) free Warrant for every two (2) existing ordinary shares of RM1.00 each held in the Company at an issue price of RM1.00 per Rights Share, of which the first call of RM0.65 per Rights Share is payable in cash on application and the second call of RM0.35 is to be capitalised from the Company's share premium account ("Rights Issue with Warrants").

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

The Group and the Company have not issued any debentures during the financial year.

ISSUE OF WARRANTS

On 26 June 2014, the Company issued 56,957,350 warrants pursuant to the Rights Issue with Warrants. The warrants are constituted by a Deed Poll dated 19 May 2014. Each warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 26 June 2014 untill 25 June 2019 at an exercise price of RM1.00 per ordinary share for every warrant held in accordance with the provisions in the Deed Poll. Any warrants not exercised at the date of maturity will lapse and cease to be valid for any purpose.

No warrants were exercised to subscribe for new ordinary shares of the Company during the financial year ended 31 March 2015.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that proper action has been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that there were no known bad debts and that adequate provision has been made for doubtful debts.

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

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ensure that any current assets, which were unlikely to realise their values as shown in the accounting records of the Group and of the Company in the ordinary course of business have been written down to an amount which they might be expected to so realise.

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

CONTINGENT AND OTHER LIABILITIES

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

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

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year except as disclosed in Note 37 to the financial statements.

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

In the opinion of the Directors, 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 ended 31 March 2015.

DIRECTORS' REPORT cont'd

SHARE BUY-BACK

The Company did not purchase its own shares during the financial year ended 31 March 2015.

AMERICAN DEPOSITORY RECEIPT ("ADR")/GLOBAL DEPOSITORY RECEIPT ("GDR")

The Company did not sponsor any ADR or GDR programme during the financial year ended 31 March 2015.

SANCTIONS AND/OR PENALTIES IMPOSED

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies during the financial year ended 31 March 2015.

VARIANCES IN RESULTS

The variance between the financial results ended 31 March 2015 and the unaudited results previously announced is less than 10%.

PROFIT GUARANTEE

There were no profit guarantees given by the Company during the financial year ended 31 March 2015.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and/or its subsidiary companies which involved Directors' and major shareholders' interest, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

SUBSEQUENT EVENTS

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made except as disclosed in Note 41 to the financial statements.

AUDITORS

The retiring auditors, Raja Salleh, Lim & Co., have expressed their willingness to be re-appointed in accordance with Section 172(2) of the Companies Act, 1965.

SIGNED ON BEHALF OF THE BOARD IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS

DATUK LAI SIEW WAH
Director

DATUK LAI JAAT KONG @ LAI FOOT KONG
Director

Kuala Lumpur – 23 July 2015

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 169 (15) OF THE COMPANIES ACT, 1965

We, **DATUK LAI SIEW WAH** *P.G.D.K.* and **DATUK LAI JAAT KONG @ LAI FOOT KONG** *PJN, JSM,* being two of the Directors of **IREKA CORPORATION BERHAD**, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 57 to 124 are drawn up in accordance with applicable Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2015 and of their financial performance and cash flows for the year then ended.

The supplementary information set out in Note 42 to the financial statements have been complied in accordance with the Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

SIGNED ON BEHALF OF THE BOARD IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS

DATUK LAI SIEW WAH
Director

DATUK LAI JAAT KONG @ LAI FOOT KONG
Director

Kuala Lumpur – 23 July 2015

STATUTORY DECLARATION

PURSUANT TO SECTION 169 (16) OF THE COMPANIES ACT, 1965

I, **LAI VOON HUEY**, being the Director primarily responsible for the accounting records and financial management of **IREKA CORPORATION BERHAD**, do solemnly and sincerely declare that the financial statements as set out on pages 57 to 124 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
LAI VOON HUEY
NRIC No. 660508-10-6572
at KUALA LUMPUR
in the state of WILAYAH PERSEKUTUAN
on 23 July 2015

LAI VOON HUEY

Before me,

PESURUHJAYA SUMPAH
No: W 562
Nama: MOHAMMAD ROSLAN BIN MUSTAFA
MALAYSIA

H-1-10,
Plaza Damas,
Jalan Sri Hartamas 1,
50480 Kuala Lumpur

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IREKA CORPORATION BERHAD

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of **IREKA CORPORATION BERHAD**, which comprise the statements of financial position as at 31 March 2015 of the Group and of the Company, and statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 57 to 124.

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 Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

(b) We have considered the accounts and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 8 to the financial statements.

INDEPENDENT AUDITORS' REPORT cont'd

TO THE MEMBERS OF IREKA CORPORATION BERHAD

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS (CONT'D)

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

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

Other Reporting Responsibilities

The supplementary information set out in Note 42 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No.1, "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements", as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

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

RAJA SALLEH, LIM & CO.
AF-0071
Chartered Accountants

RAJA MOHAMAD SALLEH BIN RAJA ABDUL RAHMAN
244/04/17 (J/PH)
Chartered Accountant

Petaling Jaya – 23 July 2015

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2015

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
ASSETS					
Non-current assets					
Property, plant and equipment	6	**60,009,855**	59,338,973	**4,208,824**	3,980,603
Investment properties	7	**11,762,502**	19,902,826	**–**	–
Investment in subsidiaries	8	**–**	–	**92,149,668**	64,649,668
Investment in associates	9	**123,039,311**	131,986,972	**169,052,002**	169,052,002
Other investments	10	**720,901**	2,377,793	**41,500**	275,500
Land held for property development	11	**53,119,570**	43,720,765	**–**	–
		248,652,139	257,327,329	**265,451,994**	237,957,773
Current assets					
Property development cost	12	**30,870,310**	34,945,706	**–**	–
Inventories	13	**21,152,321**	16,429,110	**–**	–
Trade and other receivables	14	**144,529,473**	141,118,416	**1,028,100**	2,194,408
Amounts due from customers on contracts	15	**57,241,987**	42,679,203	**–**	–
Amounts due from subsidiaries	16	**–**	–	**37,323,459**	38,054,731
Amounts due from associates	17	**14,879,514**	14,876,908	**14,879,514**	14,876,908
Cash and cash equivalents	18	**29,780,692**	36,375,295	**4,012,428**	3,815,719
		298,454,297	286,424,638	**57,243,501**	58,941,766
TOTAL ASSETS		**547,106,436**	543,751,967	**322,695,495**	296,899,539
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	19	**170,872,050**	113,914,700	**170,872,050**	113,914,700
Share premium	19	**1,384,922**	21,870,960	**1,384,922**	21,870,960
Warrant reserves	20	**5,695,735**	–	**5,695,735**	–
Other reserves	21	**(5,695,735)**	–	**(5,695,735)**	–
Foreign currency translation reserve	22	**(342,190)**	(191,065)	**–**	–
Fair value reserve	23	**183,829**	–	**–**	–
Retained earnings		**13,732,881**	16,151,580	**108,996,158**	106,725,824
Total equity		**185,831,492**	151,746,175	**281,253,130**	242,511,484
Non-current liabilities					
Borrowings	24	**24,633,728**	47,703,612	**–**	17,300
Deferred tax liabilities	25	**3,223,100**	3,241,100	**610,000**	610,000
		27,856,828	50,944,712	**610,000**	627,300

The accompanying notes form an integral part of the financial statements

STATEMENTS OF FINANCIAL POSITION cont'd

AS AT 31 MARCH 2015

		Group		Company	
	Note	2015 RM	2014 RM	2015 RM	2014 RM
Current liabilities					
Provision	26	**9,116,303**	14,000,000	**–**	–
Trade and other payables	27	**195,681,885**	183,880,082	**11,006,454**	8,918,028
Amounts due to subsidiaries	16	**–**	–	**27,286,638**	42,227,250
Borrowings	24	**127,711,020**	141,422,659	**1,855,204**	1,931,408
Amounts due to customers on contracts	15	**–**	155,835	**–**	–
Tax payable		**908,908**	1,602,504	**684,069**	684,069
		333,418,116	341,061,080	**40,832,365**	53,760,755
Total liabilities		**361,274,944**	392,005,792	**41,442,365**	54,388,055
TOTAL EQUITY AND LIABILITIES		**547,106,436**	543,751,967	**322,695,495**	296,899,539

The accompanying notes form an integral part of the financial statements

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2015

		Group		Company	
	Note	2015 RM	2014 RM	2015 RM	2014 RM
Continuing operations					
Revenue	28	**426,203,204**	289,676,087	**15,884,105**	55,348,421
Cost of sales	29	**(390,176,822)**	(258,430,810)	**–**	–
Gross profit		**36,026,382**	31,245,277	**15,884,105**	55,348,421
Other income	30	**10,888,662**	6,103,915	**2,991,755**	2,620,557
Administration expenses		**(21,846,463)**	(24,387,566)	**(11,454,238)**	(11,645,194)
Other expenses		**(12,130,496)**	(14,853,319)	**(5,015,917)**	(7,375,439)
Operating profit/(loss)		**12,938,085**	(1,891,693)	**2,405,705**	38,948,345
Finance costs	31	**(9,790,873)**	(8,373,836)	**(135,371)**	(151,808)
Share of loss of associates		**(6,028,480)**	(15,415,320)	**–**	–
(Loss)/Profit before tax	32	**(2,881,268)**	(25,680,849)	**2,270,334**	38,796,537
Income tax	33	**462,569**	(1,636,662)	**–**	–
(Loss)/Profit for the financial year		**(2,418,699)**	(27,317,511)	**2,270,334**	38,796,537
Other comprehensive income/(loss):					
Currency translation differences		**(151,125)**	251,335	**–**	–
Gain on fair value changes		**183,829**	–	**–**	–
Other comprehensive income for financial year, net of tax		**32,704**	251,335	**–**	–
Total comprehensive (loss)/income for the financial year		**(2,385,995)**	(27,066,176)	**2,270,334**	38,796,537
(Loss)/Profit attributable to owners of the Company		**(2,418,699)**	(27,317,511)	**2,270,334**	38,796,537
Total comprehensive (loss)/income attributable to owners of the Company		**(2,385,995)**	(27,066,176)	**2,270,334**	38,796,537
Loss per share attributable to owners of the Company (sen)					
Basic	34	**(1.54)**	(22.27)		
Diluted	34	**(1.54)**	(22.27)		

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015

	← Attributable to Owners of the Company →							
	← Non-distributable					→	Distributable	
Share	Warrant Capital RM	Other Premium RM	Translation Reserve RM	Fair value Reserve RM	Foreign Currency Retained Reserve RM	Total Reserve RM	Earnings RM	Share Equity RM
As at 1 April 2013	113,914,700	21,870,960	–	–	(442,400)	–	43,469,091	178,812,351
Total comprehensive loss for the year	–	–	–	–	251,335	–	(27,317,511)	(27,066,176)
As at 31 March 2014	**113,914,700**	**21,870,960**	**–**	**–**	**(191,065)**	**–**	**16,151,580**	**151,746,175**
Issuance of shares	**56,957,350**	**(19,935,073)**	**–**	**–**	**–**	**–**	**–**	**37,022,277**
Issuance of warrants	**–**	**–**	**5,695,735**	**(5,695,735)**	**–**	**–**	**–**	**–**
Shares issue expenses	**–**	**(550,965)**	**–**	**–**	**–**	**–**	**–**	**(550,965)**
Total comprehensive loss for the year	**–**	**–**	**–**	**–**	**(151,125)**	**183,829**	**(2,418,699)**	**(2,385,995)**
As at 31 March 2015	**170,872,050**	**1,384,922**	**5,695,735**	**(5,695,735)**	**(342,190)**	**183,829**	**13,732,881**	**185,831,492**

The accompanying notes form an integral part of the financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2015

	Attributable to Owners of the Company					
	Non-distributable				Distributable	
	Share Capital RM	Share Premium RM	Warrant Reserve RM	Other Reserve RM	Retained Earnings RM	Total Equity RM
As at 1 April 2013	113,914,700	21,870,960	–	–	67,929,287	203,714,947
Total comprehensive income for the year	–	–	–	–	38,796,537	38,796,537
As at 31 March 2014	**113,914,700**	**21,870,960**	**–**	**–**	**106,725,824**	**242,511,484**
Issuance of shares	**56,957,350**	**(19,935,073)**	**–**	**–**	**–**	**37,022,277**
Issuance of warrants	**–**	**–**	**5,695,735**	**(5,695,735)**	**–**	**–**
Shares issue expenses	**–**	**(550,965)**	**–**	**–**	**–**	**(550,965)**
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**2,270,334**	**2,270,334**
As at 31 March 2015	**170,872,050**	**1,384,922**	**5,695,735**	**(5,695,735)**	**108,996,158**	**281,253,130**

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2015

	Note	2015 RM	2014 RM
Cash flow from operating activities			
Loss before tax from-			
Continuing operations		**(2,881,268)**	(25,680,849)
Adjustments for:			
Assets of disposal group classified as held for sale - Written-off		**–**	6
Bad debt written off		**14,200**	2,580,895
Interest expense		**9,790,873**	8,373,836
Interest income		**(747,491)**	(269,211
Investment properties - Gain on disposal		**(2,772,704)**	(1,355,973)
Other investments - Gain on disposal		**(695,423)**	–
- Impairment loss		**34,600**	–
- Reversal of impairment loss		**–**	(864,825)
Property, plant and equipment - Depreciation		**6,715,253**	5,812,911
- Gain on disposal		**(381,304)**	(1,577,498)
- Loss on disposal		**3,388**	53,456
- Written-off		**34,698**	387,825
Share of loss from associates		**6,028,480**	15,415,320
Unrealised gain on foreign exchange		**(926,832)**	(306,116)
Unrealised loss on foreign exchange		**6,421**	3,455
Operating profit before working capital changes		**14,222,891**	2,573,232
Amounts due from associates		**(2,606)**	(888)
Amounts due from customers on contracts		**(14,718,619)**	(5,154,001)
Inventories		**(4,723,211)**	(5,371,290)
Investment properties		**–**	(422,768)
Property development costs		**4,075,396**	(4,165,698)
Receivables		**(2,480,872)**	(12,979,083)
Payables		**10,075,978**	23,927,299
Cash generated from/(used in) operations		**6,448,957**	(1,593,197)
Income tax refunded		**286,939**	399,990
Income tax paid		**(1,480,351)**	(2,943,093)
Net cash flow generated from/(used in) operating activities		**5,255,545**	(4,136,300)
Cash flow from investing activities			
Interest received		**747,491**	269,211
Investment properties - Proceeds from disposal		**10,913,028**	6,418,487
Land held for property development		**(9,398,805)**	(4,596,383)
Other investments - Proceeds from disposal		**2,501,544**	–
Property, plant and equipment - Additions		**(3,540,525)**	(4,524,136)
- Proceeds from disposal		**853,747**	1,921,891
Net cash flow generated from/(used in) investing activities		**2,076,480**	(510,930)

The accompanying notes form an integral part of the financial statements

	Note	2015 RM	2014 RM
Cash flow from financing activities			
Proceeds from issuance of shares		**37,022,277**	–
Payment of shares issue expenses		**(550,965)**	–
Hire purchase principal repayments		**(4,235,612)**	(3,911,770)
Interest paid		**(9,790,873)**	(8,373,836)
Drawdown of bank borrowings		**77,904,000**	104,175,000
Repayment of bank borrowings		**(98,744,158)**	(93,947,164)
Net cash flow generated from/(used in) financing activities		**1,604,669**	(2,057,770)
Net increase/(decrease) in cash and cash equivalents		**8,936,694**	(6,705,000)
Effect of changes in exchange rates		**514,256**	174,399
Cash and cash equivalents			
- at start of financial year		**(16,359,008)**	(9,828,407)
- at end of financial year	18	**(6,908,058)**	(16,359,008)

COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2015

	Note	2015 RM	2014 RM
Cash flow from operating activities			
Profit before tax		**2,270,334**	38,796,537
Adjustments for:			
Assets of disposal group classified as held for sale - Written-off		**–**	6
Bad debt written off		**–**	2,580,895
Dividend income		**(3,041,934)**	(42,500,000)
Interest expenses		**135,371**	151,808
Interest income		**(517,331)**	(366,031)
Other investments - Gain on disposal		**(156,683)**	–
- Impairment loss		**34,600**	–
- Written-off		**–**	10
Property, plant and equipment - Depreciation		**515,727**	503,514
- Gain on disposal		**(25,781)**	(2,183)
- Loss on disposal		**3,061**	–
- Written-off		**–**	3,160
Unrealised gain on foreign exchange		**(265,843)**	(4,185)
Unrealised loss on foreign exchange		**1,184**	2,400
Operating loss before working capital changes		**(1,047,295)**	(834,069)
Amounts due from associates		**(2,606)**	(888)
Amounts due to subsidiaries		**(14,209,340)**	(43,912,127)
Receivables		**1,166,308**	(316,819)
Payables		**2,088,426**	3,277,125
Net cash flow used in operating activities		**(12,004,507)**	(41,786,778)
Cash flow from investing activities			
Dividend received from subsidiary companies		**3,041,934**	42,500,000
Interest received		**517,331**	366,031
Investment in subsidiaries		**(27,500,000)**	(50,000)
Other investments - Proceeds from disposal		**356,083**	–
Property, plant and equipment - Additions		**(809,716)**	(36,298)
- Proceeds from disposal		**88,488**	3,000
Net cash flow (used in)/generated from investing activities		**(24,305,880)**	42,782,733

The accompanying notes form an integral part of the financial statements

	Note	2015 RM	2014 RM
Cash flow from financing activities			
Proceeds from issuance of shares		**37,022,277**	–
Payment of shares issue expenses		**(550,965)**	–
Hire purchase principal repayments		**(118,606)**	(176,405)
Interest paid		**(135,371)**	(151,808)
Repayment of bank borrowings		**867**	227
Net cash flow generated from/(used in) financing activities		**36,218,202**	(327,986)
Net (decrease)/increase in cash and cash equivalents		**(92,185)**	667,969
Effect of changes in exchange rates		**264,659**	1,785
Cash and cash equivalents			
- at start of financial year		**3,029,834**	2,360,080
- at end of financial year	18	**3,202,308**	3,029,834

The accompanying notes form an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

1. GENERAL INFORMATION

The principal activities of the Company are investment holding and provision of management services.

The principal activities of the subsidiaries within the Group are stated in Note 8 to the financial statements.

2. DATE OF AUTHORISATION OF ISSUE

The financial statements were authorised for issue by the Board of Directors on 23 July 2015.

3. REVENUE AND SEGMENTAL INFORMATION

For management purpose, the Group is organised into five reportable business operating segments as follows:

- Construction
- Property development
- Trading and services
- Property investment
- Investment holding

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and of the Company have been prepared under the historical basis unless otherwise indicated in the accounting policies below and in accordance with Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia. At the beginning of the current financial year, the Group and the Company had adopted new and revise FRS's which are mandatory for financial periods beginning on or after 1 April 2014 as described below.

Financial statements of certain subsidiaries are prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia but did not have any effect on the financial performance or position of the Group and of the Company.

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

(b) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year, except in the current financial year, the Group and the Company adopted the following new and amended FRSs and IC Interpretations which are mandatory for annual financial periods beginning on or after 1 January 2014:

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Changes in accounting policies (cont'd)

Effective for financial periods beginning on or after 1 January 2014
- Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities
- Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 136: Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting
- IC Interpretation 21 Levies
- Amendments to FRS 201: Property Development Activities

Adoption of the above standards and interpretations did not have any effect on the financial performance or position and policy of the Group and the Company. The nature and impact of the new and amended FRSs are described below:

(i) Amendments to FRS 132 : Offsetting Financial Assets and Financial Liabilities
The amendments clarify the meaning of "currently has a legally enforceable right to set-off" and "simultaneous realisation and settlement". These amendments are to be applied retrospectively. These amendments have no impact on the Group, since none of the entities in the Group has any offsetting arrangements.

(ii) Amendments to FRS 136 : Recoverable Amount Disclosures for Non-Financial Assets
The amendments to FRS 136 remove the requirement to disclose the recoverable amount of a cash-generating unit ("CGU") to which goodwill or other intangible assets with indefinite useful lives has been allocated when there has been no impairment or reversal of impairment of the related CGU. In addition, the amendments introduce additional disclosure requirements when the recoverable amount is measured at fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosure required by FRS 13 Fair Value Measurements.

(iii) Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities
These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under FRS 10 Consolidated Financial Statements and must be applied retrospectively, subject to certain transition relief. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. These amendments have no impact on the Group, since none of the entities in the Group qualifies to be an investment entity under FRS 10.

The application of these amendments has had no material impact on the disclosures in the Group's and the Company's financial statements

Standards issued but not yet effective

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

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Changes in accounting policies (cont'd)

Standards issued but not yet effective (cont'd)

Effective for financial periods beginning on or after 1 July 2014
- Amendments to FRS 2: Share-based Payment (Annual Improvements to FRSs 2010-2012 Cycle)
- Amendments to FRS 3: Business Combinations (Annual Improvements to FRSs 2010-2012 Cycle)
- Amendments to FRS 3: Business Combinations (Annual Improvements to FRSs 2011-2013 Cycle)
- Amendments to FRS 8: Operating Segments (Annual Improvements to FRSs 2010-2012 Cycle)
- Amendments to FRS 13: Fair Value Measurement (Annual Improvements to FRSs 2011-2013 Cycle)
- Amendments to FRS 116: Property, Plant and Equipment (Annual Improvements to FRSs 2010-2012 Cycle)
- Amendments to FRS 119: Defined Benefit Plans: Employee Contributions
- Amendments to FRS 124: Related Party Disclosures (Annual Improvements to FRSs 2010-2012 Cycle)
- Amendments to FRS 138: Intangible Assets (Annual Improvements to FRSs 2010-2012 Cycle)
- Amendments to FRS 140: Investment Property (Annual Improvements to FRSs 2011-2013 Cycle)

Effective for financial periods beginning on or after 1 January 2016
- Amendments to FRS 5: Non-current Assets Held for Sales and Discontinued Operations (Annual Improvements to FRSs 2012-2014 Cycle)
- Amendments to FRS 7: Financial Instruments: Disclosures (Annual Improvements to FRSs 2012-2014 Cycle)
- Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation Exception
- Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations
- FRS 14: Regulatory Deferral Accounts
- Amendments to FRS 101: Disclosure Initiatives
- Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to FRS 119: Employee Benefits (Annual Improvements to FRSs 2012-2014 Cycle)
- Amendments to FRS 127: Equity Method in Separate Financial Statements
- Amendments to FRS 134: Interim Financial Reporting (Annual Improvements to FRSs 2012-2014 Cycle)

Effective for financial periods beginning on or after 1 January 2017
- MFRS 15: Revenue from Contracts with Customers

Effective for financial periods beginning on or after 1 January 2018
- FRS 9: Financial Instruments

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

(i) FRS 9 Financial Instruments: Classification and Measurement

In November 2014, IASB issued the final version of FRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces FRS 139 Financial Instruments: Recognition and Measurement and all previous versions of FRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. FRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The adoption of FRS 9 will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Changes in accounting policies (cont'd)

Standards issued but not yet effective (cont'd)

(ii) MFRS 15 Revenue from Contracts with Customers

MFRS 15 establishes a new five-step models that will apply to revenue arising from contracts with customers. MFRS 15 will supersede the current revenue recognition guidance including FRS 118 Revenue, FRS 111 Construction Contracts and the related interpretations when it becomes effective.

The core principle of MFRS 15 is that an entity should recognise revenue which 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.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, such as when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. The Directors anticipate that the application of MFRS 15 will have a material impact on the amounts reported and disclosures made in the Group's and the Company's financial statements. The Group is currently assessing the impact of MFRS 15 and plans to adopt the new standard on the required effective date.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysia Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standard ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

On 2 September 2014, MASB announced that Transitioning Entities shall be required to apply the MFRS Framework for annual periods beginning on or after 1 January 2017.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 March 2018. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

As at the reporting date, the Group has not completed its quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework due to the ongoing assessment by the project team. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 March 2015 could be different if prepared under the MFRS Framework.

The Group considers that it is achieving its schedule milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for financial year ending 31 March 2018.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2015.

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

The Company controls an investee if and only if the Company has all the following:
• Power over the investee (such as existing rights that give it the current ability to direct the relevant activities of the investee);
• Exposure, or rights, to variable returns from its investment with the investee; and
• The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:
• The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
• Potential voting rights held by the Company, other vote holders or other parties;
• Rights arising from other contractual arrangements; and
• Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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

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

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Business combination

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

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

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

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

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

(e) Transaction with non-controlling interests

Non-controlling interests represent 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 and within equity in the consolidated statements 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. Gain or loss on disposal to non-controlling interests is recognised directly in equity.

(f) Subsidiaries

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

NOTES TO THE FINANCIAL STATEMENTS cont'd
FOR THE YEAR ENDED 31 MARCH 2015

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in associates is measured in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss for the period in which the investment is acquired.

When the Group's share of losses in the associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

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

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

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

(h) Jointly controlled entities

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves the establishment of a separate entity in which each venturer has an interest.

Investments in jointly controlled entities are accounted for in the consolidated financial statements using the equity method of accounting based on the audited or management financial statements of the jointly controlled entities. Under the equity method of accounting, the Group's share of profits or losses of jointly controlled entities during the financial year is included in the statement of comprehensive income. Equity accounting is discontinued when the carrying amount of the investment in a jointly controlled entity reaches zero, unless the Group has incurred obligation to make payments on behalf of the jointly controlled entity.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Intangible assets

Goodwill

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

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

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

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

(j) Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment and furniture fixtures are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. Freehold land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the freehold land and buildings at the reporting date.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset revaluation reserve.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the asset revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Property, plant and equipment and depreciation (cont'd)

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation is computed on reducing balance basis over the estimated useful lives of the assets as follows:

	%
Buildings	2
Plant and machinery	10-20
Motor vehicles	20
Office equipment	10-25
Furniture and fittings	10
Computers	25
Office renovation	10-25
Data centre	6.7

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

(k) Investment properties

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the reporting date. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Investment properties (cont'd)

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment.

(l) Land held for property development and property development costs

(i) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 4(ix).

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the 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 income statement 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.

The excess of revenue recognised in the income statement over billings to purchases is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in the income statement is classified as progress billings within trade payables.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) 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 stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for works performed to date to the estimated total contract costs.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred that it is 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 comprises 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 balances is classified as amount due to customers on contracts.

(n) Inventories

Inventories are stated at lower of cost and net realisable value.

Cost is determined using the weighted average basis. The cost of raw materials comprises costs of purchase. The costs of finished goods and work-in-progress comprise costs of raw materials, direct labour, other direct costs and appropriate proportion of manufacturing overheads based on normal operating capacity. The cost of unsold properties comprises cost associated with the acquisition of land, direct costs and appropriate proportions of common costs.

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

(o) Financial instruments

(i) Non-derivatives financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Financial instruments (cont'd)

(i) Non-derivatives financial assets (cont'd)

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories: loans and receivables, available-for-sale investments and held-to-maturity investments.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents, trade and other receivables.

(iii) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank, deposits held at call and short term highly liquid investments that are subject to an insignificant risk of changes in value. Bank overdrafts are included within borrowings in the current liabilities section on the statement of financial position.

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are designated as available for sale or are not classified in any of the other categories of financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

(v) Held-to-maturity investments

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

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

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

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Financial instruments (cont'd)

(vi) Non-derivatives financial liabilities

All financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when the contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(vii) Share capital

Equity instruments are measured at the proceeds received net of direct issue costs.

Repurchase of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from total equity.

Where treasury shares are distributed as share dividends, the cost of the treasury shares is applied in the reduction of the share premium account or distributable reserves, or both.

Where treasury shares are reissued by re-sale in the open market, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

Where treasure shares are cancelled, the equivalent will be credited to capital redemption reserves.

(viii) Derecognition

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Financial instruments (cont'd)

(ix) Impairment

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

- **Trade and other receivables and other financial assets carried at amortised cost**

  To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on a 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.

- **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.

- **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.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Financial instruments (cont'd)

(ix) Impairment (cont'd)

- **Available-for-sale financial assets (cont'd)**

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

- **Non-derivative financial assets**

  A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

  Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economics conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

(x) Non-financial assets

The carrying amounts of non-financial assets (except for inventories, amount due from contract customers, deferred tax asset and investment property measured at fair value) are reviewed at the end of each reporting period to determine whether there is any indication of impairment.

If any such indication exists, then the asset's recoverable amount is estimated. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (groups of units) on a *pro* rata basis.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Financial instruments (cont'd)

(x) Non-financial assets (cont'd)

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(xi) Financial guarantee contracts

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

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

(xii) Warrant reserve

The warrant reserve assume the relative fair value method of the warrants, being the values determined and used to allocate the proceeds of the Right Issue With Warrants and after deducting issue expenses.

(p) Leases

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments, the right to use an asset for an agreed period of time.

(i) Accounting by lessee

- **Finance leases**

  Leases of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases.

  Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a periodic constant rate of interest on the balance outstanding. The corresponding rental obligations, net of finance charges, are included in borrowings. The interest element of the finance charge is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

  Property, plant and equipment acquired under finance leases is depreciated over the shorter of the estimated useful life of the asset and the lease term, in accordance with the property, plant and equipment policy.

NOTES TO THE FINANCIAL STATEMENTS cont'd
FOR THE YEAR ENDED 31 MARCH 2015

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Leases (cont'd)

(i) Accounting by lessee (cont'd)

- **Operating leases**

  Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on the straight-line basis over the lease period.

(ii) Accounting by lessor

Operating leases

When assets are leased out under an operating lease, the asset is included in the statement of financial position based on the nature of the asset. Lease income is recognised over the term of the lease on a straight-line basis.

(q) Borrowing costs

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

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

(r) Income tax

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

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

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, and the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to apply to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Provision

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in statement of comprehensive income net of any reimbursement. 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 a borrowing cost.

(t) Employee benefits

(i) Short term benefits

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

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). Some of the Group's foreign subsidiaries also make contributions to their respective countries' statutory pension schemes.

(iii) Termination benefit

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after end of the reporting period are discounted to present value.

(u) Foreign currencies

(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 Ringgit Malaysia ("RM"), which is also the Company's functional currency.

NOTES TO THE FINANCIAL STATEMENTS cont'd
FOR THE YEAR ENDED 31 MARCH 2015

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(u) Foreign currencies (cont'd)

(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 measured at fair value are translated using the exchange rates at the date when the fair value was determined.

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

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

(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 exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

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

The principal exchange rates used for every unit of foreign currency ruling at the balance sheet date are as follows:

	2015 RM	2014 RM
United States Dollars	**3.704**	3.256
Vietnam Dong	**0.000172**	0.000158

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(v) Revenue recognition

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. The following specific recognition criteria must also be met before revenue is recognised:

(i) Construction contracts

Revenue from construction contracts is accounted for by the stage of completion method.

(ii) Property development

Revenue from property development is accounted for by the stage of completion method.

(iii) Sale of goods

Revenue is recognised net of sales taxes and upon transfer of significant risks and rewards of ownership to the buyer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs of the possible return of goods.

(iv) Revenue from services rendered

Sale of services are recognised upon render of services to customers.

(v) Rental income

Rental income from investment property is recognised on a straight-line basis over the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on straight-line basis.

(vi) Interest income

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

(vii) Dividend income

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

(viii) Management fees

Management fees are recognised when services are rendered.

(w) Non-current assets (or disposal Groups) held for sale and discontinued operation

Non-current asset (or disposal Groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal Group) is available for immediate sale in its present condition subject only to terms that are usual and customary.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(w) Non-current assets (or disposal Groups) held for sale and discontinued operation (cont'd)

Immediately before classification as held for sale, the measurement of the non-current assets (or all the assets and liabilities in a disposal Group) is brought up-to-date in accordance with applicable FRSs. Then, on initial classification as held for sale, non-current assets or disposal groups (other than investment properties, deferred tax assets, employee benefits assets, financial assets and inventories) are measured in accordance with FRS 5 that is at the lower of carrying amount and fair values less costs to sell. Any differences are included in profit or loss.

A component of the Group is classified as discontinued operation when the criteria to be classified as held for sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations, is part of single co-ordinated major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale.

(x) Commitments and contingencies

Commitments and contingent liabilities are disclosed in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

(a) Critical judgements made in applying accounting policies

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(i) Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on FRS 140 in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or lease out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

(ii) Operating lease commitments – The Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (CONT'D)

(b) Key sources of estimation uncertainty

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

(i) Estimated useful lives and residual values of property, plant and equipment

Property, plant and equipment are depreciated on a reducing balance basis over the term of their useful service lives taking into account residual values where appropriate. The estimated useful lives of these assets should be reflective of factors such as service life experience on the facilities and their maintenance programmes. The useful lives and residual values of assets are reviewed, and adjusted if appropriate, at each balance sheet date.

(ii) Amount due from customers for construction contracts

The Group recognised revenue based on percentage of completion method. The stage of completion is measured by reference to the contract construction costs incurred to date to the estimated total of costs. Significant judgement is required in determining the stage of completion, the extent of the contract costs incurred, the estimated total revenue and contract costs, as well as the recoverability of the construction contracts activities. Total revenue also includes an estimation of the recoverable variation works that are recoverable from the customers. In making the judgement, the Company relied on past experience and work of specialists.

(iii) Income taxes

Significant estimation 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 recognises liabilities for expected tax issues 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.

(iv) Impairment of assets

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

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

(v) Provision for claims payable for late completion and late delivery

The provision for claims payable is in respect of project completion was delayed resulting in late delivery to its customers. Significant judgement is therefore used in determining the amounts of damages for the delayed completion and provision for claims payable for late delivery to the affected parties.

The Directors have carefully assessed the terms of the contracts, advice from the qualified external party, the amount of damages and the estimated claims payable for late delivery. Based on the Directors' assessment, the Group estimated with reasonable certainty the amounts of claims that are expected to be payable for the project and these amounts have been recognised accordingly as at 31 March 2015. In view of the ongoing negotiations on the claims, any further disclosure may be prejudicial to the Group's negotiating position.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

6. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold Land RM	Buildings RM	Plant and Machinery RM	Motor Vehicles RM	Office Equipment RM	Furniture and Fittings RM	Computers RM	Office Renovation RM	Data Centre RM	Total RM
2015										
Cost										
As at 1.4.2014	16,051,377	10,368,469	49,018,986	11,270,832	3,711,276	3,122,075	1,233,410	338,113	8,308,558	103,423,096
Additions	–	–	6,518,937	–	1,193,305	79,270	66,713	–	22,100	7,880,325
Disposals	–	–	(1,014,719)	(888,816)	–	–	–	–	–	(1,903,535)
Written-off	–	–	(20,000)	–	–	(22,067)	(168,438)	–	–	(210,505)
Exchange adjustments	–	–	–	29,222	1,134	–	–	–	–	30,356
As at 31.3.2015	16,051,377	10,368,469	54,503,204	10,411,238	4,905,715	3,179,278	1,131,685	338,113	8,330,658	109,219,737
Accumulated depreciation										
As at 1.4.2014	–	1,051,891	30,373,927	7,718,606	2,261,737	974,677	838,163	59,421	805,701	44,084,123
Depreciation charge for the year	–	175,728	4,596,580	683,795	372,542	227,137	131,723	30,976	496,772	6,715,253
Disposals	–	–	(841,844)	(585,860)	–	–	–	–	–	(1,427,704)
Written-off	–	–	(17,763)	–	–	(13,205)	(144,839)	–	–	(175,807)
Exchange adjustments	–	–	–	13,488	529	–	–	–	–	14,017
As at 31.3.2015	–	1,227,619	34,110,900	7,830,029	2,634,808	1,188,609	825,047	90,397	1,302,473	49,209,882
Net carrying amount										
As at 31.3.2015	16,051,377	9,140,850	20,392,304	2,581,209	2,270,907	1,990,669	306,638	247,716	7,028,185	60,009,855

Company	Freehold Land RM	Buildings RM	Motor Vehicles RM	Office Equipment RM	Furniture and Fittings RM	Total RM
2015						
Cost						
As at 1.4.2014	453,493	498,800	6,526,326	1,760,365	1,883,501	11,122,485
Additions	–	–	–	809,716	–	809,716
Disposals	–	–	(240,340)	–	–	(240,340)
As at 31.3.2015	453,493	498,800	6,285,986	2,570,081	1,883,501	11,691,861
Accumulated depreciation						
As at 1.4.2014	–	14,270	5,399,386	1,180,605	547,621	7,141,882
Depreciation charge for the year	–	534	212,235	169,370	133,588	515,727
Disposals	–	–	(174,572)	–	–	(174,572)
As at 31.3.2015	–	14,804	5,437,049	1,349,975	681,209	7,483,037
Net carrying amount						
As at 31.3.2015	453,493	483,996	848,937	1,220,106	1,202,292	4,208,824

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

Group	Freehold Land RM	Buildings RM	Plant and Machinery RM	Motor Vehicles RM	Office Equipment RM	Furniture and Fittings RM	Computers RM	Office Renovation RM	Data Centre RM	Total RM
2014										
Cost										
As at 1.4.2013	16,051,377	11,184,009	45,123,863	12,005,990	4,061,220	2,537,372	1,158,630	585,497	8,253,558	100,961,516
Additions	–	–	8,180,041	200,833	387,202	657,685	79,602	11,173	55,000	9,571,536
Transfer to investment properties (Note 7)	–	(815,540)	–	–	–	–	–	–	–	(815,540)
Disposals	–	–	(3,603,526)	(935,026)	(41,395)	–	–	–	–	(4,579,947)
Written-off	–	–	(681,392)	(13,545)	(696,490)	(72,982)	(5,056)	(258,557)	–	(1,728,022)
Exchange adjustments	–	–	–	12,580	739	–	234	–	–	13,553
As at 31.3.2014	16,051,377	10,368,469	49,018,986	11,270,832	3,711,276	3,122,075	1,233,410	338,113	8,308,558	103,423,096
Accumulated depreciation										
As at 1.4.2013	–	934,587	30,774,270	7,684,590	2,611,705	785,517	641,323	157,612	271,966	43,861,570
Depreciation charge for the year	–	189,392	3,484,469	896,311	218,867	239,042	201,802	49,293	533,735	5,812,911
Transfer to investment properties (Note 7)	–	(72,088)	–	–	–	–	–	–	–	(72,088)
Disposals	–	–	(3,306,892)	(852,849)	(22,357)	–	–	–	–	(4,182,098)
Written-off	–	–	(577,920)	(13,156)	(546,699)	(49,882)	(5,056)	(147,484)	–	(1,340,197)
Exchange adjustments	–	–	–	3,710	221	–	94	–	–	4,025
As at 31.3.2014	–	1,051,891	30,373,927	7,718,606	2,261,737	974,677	838,163	59,421	805,701	44,084,123
Net carrying amount										
As at 31.3.2014	16,051,377	9,316,578	18,645,059	3,552,226	1,449,539	2,147,398	395,247	278,692	7,502,857	59,338,973

Company	Freehold Land RM	Buildings RM	Motor Vehicles RM	Office Equipment RM	Furniture and Fittings RM	Total RM
2014						
Cost						
As at 1.4.2013	453,493	498,800	6,570,960	1,724,067	1,902,778	11,150,098
Additions	–	–	–	36,298	–	36,298
Disposals	–	–	(44,634)	–	–	(44,634)
Written-off	–	–	–	–	(19,277)	(19,277)
As at 31.3.2014	453,493	498,800	6,526,326	1,760,365	1,883,501	11,122,485
Accumulated depreciation						
As at 1.4.2013	–	13,725	5,161,468	1,107,802	415,307	6,698,302
Depreciation charge for the year	–	545	281,735	72,803	148,431	503,514
Disposals	–	–	(43,817)	–	–	(43,817)
Written-off	–	–	–	–	(16,117)	(16,117)
As at 31.3.2014	–	14,270	5,399,386	1,180,605	547,621	7,141,882
Net carrying amount						
As at 31.3.2014	453,493	484,530	1,126,940	579,760	1,335,880	3,980,603

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

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

(a) Purchase of property, plant and equipment

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Aggregate costs of property, plant and equipment acquired	**7,880,325**	9,571,536	**809,716**	36,298
Amount financed through hire purchase and finance lease	**(4,339,800)**	(5,047,400)	–	–
Cash disbursed for purchase of property, plant and equipment	**3,540,525**	4,524,136	**809,716**	36,298

(b) Details of assets under hire purchase and finance lease

Net carrying amounts of property, plant and equipment held under hire purchase and finance lease are as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Net carrying amounts				
Plant and machinery	**7,452,993**	4,854,703	**–**	–
Motor vehicles	**1,753,800**	2,243,656	**212,398**	268,754
Computers	**–**	119,808	**–**	–
Data centre	**1,604,951**	5,344,735	**–**	–
	10,811,744	12,562,902	**212,398**	268,754

(c) The net carrying amounts of property, plant and equipment pledged as securities for borrowings (Note 24) are as follows:

	Group	
	2015 RM	2014 RM
Freehold land	**15,606,455**	15,606,455
Buildings	**8,648,282**	8,823,475
	24,254,737	24,429,930

(d) No borrowing costs were capitalised during the financial year.

7. INVESTMENT PROPERTIES

	Group	
	2015 RM	2014 RM
Level 3 fair value		
As at 1 April	**19,902,826**	23,799,120
Additions	**–**	422,768
Transfer from property, plant and equipment (Note 6)	**–**	743,452
Disposal	**(8,140,324)**	(5,062,514)
As at 31 March	**11,762,502**	19,902,826

Investment properties comprise a number of commercial properties leased to third parties as disclosed in Note 35 to the financial statements.

Investment properties are pledged as securities for borrowings as disclosed in Note 24 to the financial statements amounting to RM9,772,582 (2014 - RM17,912,906).

Direct operating expenses (including repair and maintenance) arising from income generating investment properties amounting to RM474,737 (2014 - RM560,936).

Valuation processes applied by the Group for Level 3 fair value

The registered independent valuers provides the fair value of the Group's investment property portfolio every 5 years. Changes in level 3 fair values are analysed by the management every 5 years after obtaining valuation report from the valuation company.

8. INVESTMENT IN SUBSIDIARIES

	Company	
	2015 RM	2014 RM
Unquoted shares at cost		
As at 31 March	**92,149,668**	64,649,668

As at the balance sheet date, the carrying value of investments in certain subsidiaries exceeded their combined net assets by approximately RM1,467,609 (2014 - RM1,350,002). The cost of investment carried by the Company is assessed for impairment, if any, based on the present value of the future cash flows expected to be derived from the cash generating units of the investments. The Directors believe that there is no permanent impairment in value of these investments.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

The particulars of the subsidiaries within the Group are as follows:

	Country of Incorporation	Principal Activities	Holding in Equity 2015 %	2014 %
Subsidiaries-				
Ireka Sdn Bhd	Malaysia	Investment holding	**100**	100
Ireka iCapital Sdn Bhd (i)	Malaysia	Investment holding	**100**	100
Ireka Development Management Sdn Bhd	Malaysia	Property development management, provision of other related professional services and consultancy	**100**	100
Ireka Property Services Sdn Bhd	Malaysia	Property services	**100**	100
Ireka Commercial Sdn Bhd	Malaysia	Property investment and renting of property	**100**	100
i-Residence Sdn Bhd	Malaysia	Property investment and renting of property	**100**	100
Ireka Engineering And Construction Vietnam Company Limited (i)	Vietnam	Civil and industrial contruction work	**100**	100
Meadowfield Sdn Bhd	Malaysia	Property development	**100**	100
i-Tech Network Solutions (Vietnam) Company Limited (i)	Vietnam	Import and distribution of computer hardware, computer programming, consultancy and computer system management	**100**	100
United Time Development Sdn Bhd	Malaysia	Property development	**100**	–
Subsidiary companies of Ireka Sdn Bhd-				
Ireka Engineering & Construction Sdn Bhd (iv)	Malaysia	Earthworks, civil, structural and building construction and renting of construction plant and machinery	**71.43**	100
Regalmont (Sabah) Sdn Bhd	Malaysia	Property development	**100**	100
Regal Variety Sdn Bhd	Malaysia	Investment holding	**100**	100
Iswaja Enterprise Sdn Bhd (iii)	Malaysia	Dormant	**100**	100
Ireka Hospitality Sdn Bhd	Malaysia	Property management, provision of other related professional services and consultancy	**100**	100
Unique Legacy Sdn Bhd (ii)(iii)	Malaysia	Dormant	**90**	90

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

The particulars of the subsidiaries within the Group are as follows:

	Country of Incorporation	Principal Activities	Holding in Equity 2015 %	2014 %
Subsidiary company of Ireka Engineering & Construction Sdn Bhd-				
United Time Development Sdn Bhd	Malaysia	Property development	**–**	100
Subsidiary companies of Ireka iCapital Sdn Bhd-				
e-Auction Sdn Bhd (i)	Malaysia	Dormant	**96**	96
Ireka Venture Capital Ltd (i)	British Virgin Islands	Investment holding and provision of venture capital fund to internet, e-commerce and related technology based companies	**100**	100
asiaegolf Tours Sdn Bhd (i)	Malaysia	Dormant	**100**	100
i-Tech Network Solutions Sdn Bhd (i)	Malaysia	System integration, software solutions and trading in computer hardware	**100**	100
iTech ELV Solutions Sdn Bhd (i)	Malaysia	Provide, supply and install high voltage power system and low voltage power system, and structured cabling system and extra low voltage system	**100**	100

(i) The financial statements of these companies are not audited by Raja Salleh, Lim & Co..

(ii) 10% of the shareholding held directly by Ireka Corporation Berhad.

(iii) The subsidiary is currently under members' voluntary liquidation.

(iv) 28.57% of the shareholding held directly by Ireka Corporation Berhad.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

9. INVESTMENT IN ASSOCIATES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Quoted shares outside Malaysia, at cost	**168,751,999**	168,751,999	**168,751,999**	168,751,999
Unquoted shares in Malaysia	**300,003**	300,003	**300,003**	300,003
	169,052,002	169,052,002	**169,052,002**	169,052,002
Share of post-acquisition reserve	**(46,012,691)**	(37,065,030)	**–**	–
	123,039,311	131,986,972	**169,052,002**	169,052,002
Market value of quoted shares	**79,493,616**	65,148,727	**79,493,616**	65,148,727

Details of the associates are as follows:

Names of associates	Country of Incorporation	Principal Activities	Holding in Equity 2015 %	2014 %
Aseana Properties Limited ("ASPL") (i) (ii) (iii)	Jersey, Channel Islands	Acquisition, development and redevelopment of upscale residential, commercial, hospitality and healthcare projects	**23.07**	23.07
Urban DNA Sdn Bhd ("URBAN") (i) (ii) (iii)	Malaysia	Property development	**30.00**	30.00
The RuMa Hotel KL Sdn Bhd ("RUMA") (i) (ii) (iii)	Malaysia	Investment holding	**30.00**	30.00

(i) The financial year end is 31 December 2014.

(ii) The financial statements of these companies are not audited by Raja Salleh, Lim & Co..

(iii) There are no contingencies and commitments relating to the Group's interest in the associates.

The summarised financial information of the associates are as follows:

	ASPL RM	URBAN RM	RUMA RM	TOTAL RM
2015				
Assets and liabilities				
Current assets	**1,495,579,868**	**219,199,452**	**1,466**	**1,714,780,786**
Non-current assets	**83,928,183**	**–**	**–**	**83,928,183**
Total assets	**1,579,508,051**	**219,199,452**	**1,466**	**1,798,708,969**

9. INVESTMENT IN ASSOCIATES (CONT'D)

	ASPL RM	URBAN RM	RUMA RM	TOTAL RM
2015 (cont'd)				
Assets and liabilities (cont'd)				
Current liabilities	**524,683,405**	**169,817,890**	**16,850**	**694,518,145**
Non-current liabilities	**451,349,700**	**61,710,000**	**–**	**513,059,700**
Total liabilities	**976,033,105**	**231,527,890**	**16,850**	**1,207,577,845**
Results				
Revenue	**291,238,800**	**–**	**–**	**291,238,800**
Loss for the financial year/Total comprehensive loss for the financial year	**(20,049,524)**	**(4,670,012)**	**(6,837)**	**(24,726,373)**
Group's share:				
Net assets/(liabilities)	**131,078,333**	**(8,034,407)**	**(4,615)**	**123,039,311**
Loss for the financial year/Total comprehensive loss for the financial year	**(4,625,425)**	**(1,401,004)**	**(2,051)**	**(6,028,480)**
Dividends received by the Group	**–**	**–**	**–**	**–**
2014				
Assets and liabilities				
Current assets	1,500,173,421	169,658,475	463	1,669,832,359
Non-current assets	104,793,804	–	–	104,793,804
Total assets	1,604,967,225	169,658,475	463	1,774,626,163
Current liabilities	433,684,998	111,976,901	9,009	545,670,908
Non-current liabilities	617,596,156	65,340,000	–	682,936,156
Total liabilities	1,051,281,154	177,316,901	9,009	1,228,607,064
Results				
Revenue	131,814,608	–	–	131,814,608
(Loss)/profit for the financial year/ Total comprehensive (loss)/income for the financial year	(58,382,435)	(6,488,496)	188	(64,870,743)
Group's share:				
Net assets/(liabilities)	135,703,759	(3,714,223)	(2,564)	131,986,972
(Loss)/profit for the financial year/ Total comprehensive (loss)/income for the financial year	(13,468,827)	(1,946,549)	56	(15,415,320)
Dividends received by the Group	–	–	–	–

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

10. OTHER INVESTMENTS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
At cost:				
Available-for-sale financial assets				
Quoted shares - Outside Malaysia	**679,401**	6,952,035	**–**	–
Investments in club membership	**237,778**	445,567	**237,778**	445,567
Unquoted shares	**1,050,948**	1,050,948	**–**	–
	1,968,127	8,448,550	**237,778**	445,567
Held to maturity investments				
Subordinated Bonds 2002/2007	**–**	2,360,000	**–**	2,360,000
Carrying amount	**1,968,127**	10,808,550	**237,778**	2,805,567
Less : Accumulated impairment loss				
Quoted shares	**–**	(4,849,742)	**–**	–
Investments in club membership	**(196,278)**	(330,067)	**(196,278)**	(330,067)
Unquoted shares	**(1,050,948)**	(1,050,948)	**–**	–
Subordinated Bonds 2002/2007	**–**	(2,200,000)	**–**	(2,200,000)
	(1,247,226)	(8,430,757)	**(196,278)**	(2,530,067)
	720,901	2,377,793	**41,500**	275,500
At market value:				
Quoted shares - Outside Malaysia	**679,401**	2,102,293	**–**	–

11. LAND HELD FOR PROPERTY DEVELOPMENT

	Group	
	2015 RM	2014 RM
Freehold land, at cost	**35,324,812**	35,324,812
Development costs		
As at 1 April	**8,395,953**	3,799,570
Additions	**9,398,805**	4,596,383
As at 31 March	**17,794,758**	8,395,953
Carrying amount as at 31 March	**53,119,570**	43,720,765

Freehold land are pledged as securities for borrowings as disclosed in Note 24 to the financial statements amounting to RM22,426,558 (2014 - RM22,426,558).

The borrowing costs capitalised on the land held for property development during the financial year is RM998,428 (2014 - RM1,013,942).

12. PROPERTY DEVELOPMENT COST

Group	Freehold Land RM	Development Costs RM	Borrowing Costs Capitalised RM	Total RM
Cumulative property development costs				
2015				
As at 1.4.2014	**25,000,000**	**28,615,678**	**3,003,581**	**56,619,259**
Costs incurred during the year	**–**	**32,403,451**	**722,496**	**33,125,947**
As at 31.3.2015	**25,000,000**	**61,019,129**	**3,726,077**	**89,745,206**
Cumulative costs recognised in income statement				
As at 1.4.2014				**(21,673,553)**
Recognised during the year				**(37,201,343)**
As at 31.3.2015				**(58,874,896)**
Property development costs as at 31.3.2015				**30,870,310**

	Freehold Land RM	Development Costs RM	Borrowing Costs Capitalised RM	Total RM
2014				
As at 1.4.2013	25,000,000	4,461,921	1,318,087	30,780,008
Costs incurred during the year	–	24,153,757	1,685,494	25,839,251
As at 31.3.2014	25,000,000	28,615,678	3,003,581	56,619,259
Cumulative costs recognised in income statement				(21,673,553)
Property development costs as at 31.3.2014				34,945,706

Freehold land are pledged as securities for borrowings as disclosed in Note 24 to the financial statements amounting to RM24,500,000 (2014 - RM24,500,000).

13. INVENTORIES

	Group 2015 RM	Group 2014 RM
At cost		
Construction materials	**20,998,142**	16,362,373
Finished goods	**154,179**	66,737
	21,152,321	16,429,110

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Trade receivables	**119,713,576**	124,951,265	**–**	–
Other receivables				
Accrued billing	**12,306,328**	5,496,653	**–**	–
Deposits	**1,796,406**	1,518,746	**830,745**	830,745
Prepayments	**849,647**	2,192,025	**95,154**	1,157,610
Other receivables	**9,863,516**	6,959,727	**102,201**	206,053
	24,815,897	16,167,151	**1,028,100**	2,194,408
	144,529,473	141,118,416	**1,028,100**	2,194,408
Total trade and other receivables	**144,529,473**	141,118,416	**1,028,100**	2,194,408
Add : Deposits, cash and bank balances	**29,780,692**	36,375,295	**4,012,428**	3,815,719
Total loans and receivables	**174,310,165**	177,493,711	**5,040,528**	6,010,127

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

The ageing analysis of trade receivables past due not impaired are set out below. These relate to a number of independent customers for whom there is no recent history of default.

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Within credit terms	**103,202,844**	96,724,524	**–**	–
Past due but not impaired				
90 to 120 days	**513,253**	2,815,083	**–**	–
More than 120 days	**15,997,479**	25,411,658	**–**	–
	119,713,576	124,951,265	**–**	–

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

Trade receivables that are past due but not impaired

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

Trade receivables that are neither past due nor impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the trade receivables and collection.

15. AMOUNTS DUE FROM/(TO) CUSTOMERS ON CONTRACTS

	Group	
	2015 RM	2014 RM
Construction contract costs incurred to date	**374,450,908**	1,017,647,442
Attributable profits	**22,778,378**	110,115,548
	397,229,286	1,127,762,990
Less: Progress billings	**(339,987,299)**	(1,085,239,622)
	57,241,987	42,523,368
Amount due from customers on contracts	**57,241,987**	42,679,203
Amount due to customers on contracts	**–**	(155,835)
	57,241,987	42,523,368
Retention sums on contracts included within trade receivables	**38,231,750**	46,994,374

The costs incurred to date on construction contracts include the following charges made during the financial year:

	Group	
	2015 RM	2014 RM
Hire of plant and machinery	**4,361,562**	7,173,403
Property, plant and equipment - Depreciation	**4,596,496**	3,484,385
Rental expense for buildings	**845,456**	486,490

16. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

The amounts due from/(to) subsidiaries are unsecured, repayable on demand and non-interest bearing except for a total amount of RM7,405,287 (2014 - RM7,019,229) from a subsidiary which bear interest of 5.5% (2014 - 5.5%) per annum.

17. AMOUNTS DUE FROM ASSOCIATES

The amounts due from associates are unsecured, repayable on demand and non-interest bearing.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

18. CASH AND CASH EQUIVALENTS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Cash on hand and at banks (i) (ii)	**14,736,059**	23,342,538	**4,012,428**	3,815,719
Deposits with licensed banks (iii)	**15,044,633**	13,032,757	**–**	–
Cash and bank balances	**29,780,692**	36,375,295	**4,012,428**	3,815,719
Bank overdrafts	**(36,688,750)**	(52,734,303)	**(810,120)**	(785,885)
Total cash and cash equivalents	**(6,908,058)**	(16,359,008)	**3,202,308**	3,029,834

(i) Included in cash at banks of the Group are amounts of RM621,914 (2014 - RM1,351,924) held pursuant to Section 8A of the Housing (Control and Licensing of Developers) Enactment, 1978 and restricted from use in the other operations.

(ii) Cash at bank earns interest at floating rates based on daily bank deposit rates.

(iii) Deposits of the Group amounting to RM15,044,633 (2014 – RM12,932,757) are held on lien by bank pursuant to banking facilities agreements and restricted from use in the other operations.

The interest rate as at the reporting date and the remaining maturities of the Group and the Company deposits placed with licensed banks are as follows:

	Group	
	2015 RM	2014 RM
Interest rate (%) (per annum)	**3.05 - 3.20**	2.80 - 3.10
Average maturity (days)	**31 - 365**	31 - 90

19. SHARE CAPITAL AND SHARE PREMIUM

	Number of Ordinary Shares of RM1 Share Capital (Issued and Fully-Paid) RM	Share Premium RM	Total Share Capital And Share Premium RM
As at 1.4.2013/31.3.2014/1.4.2014	113,914,700	21,870,960	135,785,660
Renounceable rights issue with free detachable warrants	**56,957,350**	**(19,935,073)**	**37,022,277**
Shares issue expenses	**–**	**(550,965)**	**(550,965)**
As at 31.3.2015	**170,872,050**	**1,384,922**	**172,256,972**

19. SHARE CAPITAL AND SHARE PREMIUM (CONT'D)

	Number of ordiary shares of RM1 each		Amount	
	2015 RM	2014 RM	2015 RM	2014 RM
Authorised share capital				
As at 31 March	**500,000,000**	500,000,000	**500,000,000**	500,000,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

The Company did not purchase or re-sell any of its own shares during the financial year ended 31.3.2015.

20. WARRANT RESERVES

On 26 June 2014, the Company increased its issued and paid-up share capital from RM113,914,700 to RM170,872,050 by way of a renounceable two-call rights issue of 56,957,350 new ordinary shares of RM1.00 each in the Company ("Rights Share(s)") together with 56,957,350 free detachable warrants ("Warrant(s)") on the basis of one (1) Rights Share with one (1) free Warrant for every two (2) existing ordinary shares of RM1.00 each held in the Company at an issue price of RM1.00 per Rights Share, of which the first call of RM0.65 per Rights Share is payable in cash on application and the second call of RM0.35 is to be capitalised from the Company's share premium account.

The Company had recognised the value of the warrants by debiting the other reserves account and crediting the same amount in full to the warrant reserves.

The value of warrant is based on the relative fair value of the ordinary shares by reference to the following assumptions comprising:

Share price	: RM0.92
Exercise price	: RM1.00
Tenure	: 5 Years
Volatility	: 10.000%
Dividend	: No dividend
Interest rate	: 3.953%

21. OTHER RESERVES

Other reserves shall be set off against the warrant reserves upon the full exercise of the warrants.

22. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operation whose functional currencies are different from that of the Group's presentation currency.

23. FAIR VALUE RESERVE

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

24. BORROWINGS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Short-term borrowings				
Secured:				
Term loans	**12,897,624**	7,667,299	**–**	–
Hire purchase and finance lease liabilities	**2,722,255**	3,284,275	**29,371**	130,677
Bank overdrafts	**35,878,630**	51,948,418	**–**	–
Revolving credits	**48,289,678**	52,195,936	**–**	–
Trade finance	**26,097,000**	24,526,000	**–**	–
	125,885,187	139,621,928	**29,371**	130,677
Unsecured:				
Bank overdrafts	**810,120**	785,885	**810,120**	785,885
Revolving credits	**1,015,713**	1,014,846	**1,015,713**	1,014,846
	1,825,833	1,800,731	**1,825,833**	1,800,731
	127,711,020	141,422,659	**1,855,204**	1,931,408
Long-term borrowings				
Secured:				
Term loans	**18,742,666**	42,478,758	**–**	–
Hire purchase and finance lease liabilities	**5,891,062**	5,224,854	**–**	17,300
	24,633,728	47,703,612	**–**	17,300
Total borrowings				
Revolving credits	**49,305,391**	53,210,782	**1,015,713**	1,014,846
Trade finance	**26,097,000**	24,526,000	**–**	–
Term loans	**31,640,290**	50,146,057	**–**	–
Bank overdrafts	**36,688,750**	52,734,303	**810,120**	785,885
Hire purchase and finance lease liabilities	**8,613,317**	8,509,129	**29,371**	147,977
	152,344,748	189,126,271	**1,855,204**	1,948,708

The term loans are secured by the following:

(a) First legal charge over the respective freehold land and buildings of certain subsidiaries as disclosed in Note 6(c), Note 7, Note 11 and Note 12.

(b) Corporate guarantees granted by the Company.

The secured bridging loans, bank overdrafts, revolving credits and trade finance are secured by assignment of contract proceeds and corporate guarantees of the Company.

Other information on financial risks of borrowings are disclosed in Note 39.

24. BORROWINGS (CONT'D)

Hire purchase and finance lease liabilities

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Future minimum lease payments				
Not later than 1 year	**3,220,337**	3,717,415	**33,708**	136,152
Later than 1 year and not later than 2 years	**2,748,025**	2,411,812	**–**	33,708
Later than 2 years and not later than 5 years	**4,008,919**	3,473,162	**–**	–
Total future minimum lease payments	**9,977,281**	9,602,389	**33,708**	169,860
Less : Future finance charges	**(1,363,964)**	(1,093,260)	**(4,337)**	(21,883)
Present value of finance lease liabilities	**8,613,317**	8,509,129	**29,371**	147,977
Analysis of present value of finance lease liabilities				
Not later than 1 year	**2,722,255**	3,284,275	**29,371**	130,677
Later than 1 year and not later than 2 years	**2,424,004**	2,120,835	**–**	17,300
Later than 2 years and not later than 5 years	**3,467,058**	3,104,019	**–**	–
	8,613,317	8,509,129	**29,371**	147,977
Less : Amount due within 12 months	**(2,722,255)**	(3,284,275)	**(29,371)**	(130,677)
Amount due after 12 months	**5,891,062**	5,224,854	**–**	17,300

The Group has finance lease and hire purchase contracts for various items of property, plant and equipment as disclosed in Note 6. These leases have terms of renewal but no purchase options and escalation clauses. Renewals are at the option of the specific entity that holds the lease. There are no restrictions placed upon the Group by entering into these leases and no arrangements have been entered into for contingent rental payments.

Other information on financial risks of hire purchase and finance lease liabilities are disclosed in Note 39.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

25. DEFERRED TAX

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
As at 1 April	**3,241,100**	3,062,500	**610,000**	610,000
Recognised in income statement	**(18,000)**	178,600	**–**	–
As at 31 March	**3,223,100**	3,241,100	**610,000**	610,000

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred tax liabilities:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Property, plant and equipment				
As at 1 April	**3,241,100**	3,242,500	**610,000**	610,000
Recognised in income statement	**(18,000)**	(1,400)	**–**	–
As at 31 March	**3,223,100**	3,241,100	**610,000**	610,000
Deferred tax assets:				
Unused tax losses:				
As at 1 April	**–**	(180,000)	**–**	–
Recognised in income statement	**–**	180,000	**–**	–
As at 31 March	**–**	–	**–**	–

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

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Unused tax losses	**71,156,255**	66,163,415	**24,354,832**	24,354,832
Unabsorbed capital allowances	**9,259,776**	15,581,139	**2,255,443**	1,253,162
Accelerated capital allowances	**(6,081,000)**	(4,593,000)	**–**	–
	74,335,031	77,151,554	**26,610,275**	25,607,994

The availability of the unused tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the respective subsidiaries are subject to no substantial changes in shareholdings of those subsidiaries under Income Tax Act, 1967 and guidelines issued by the tax authority.

Deferred tax assets have not been recognised where it is not probable that future taxable profits will be available against which the subsidiaries can utilise the benefits.

26. PROVISION

Group	Liquidated Ascertained Damages (i) RM	Provision for Sub-Contractor's Valuation (ii) RM	Total RM
As at 1 April	**14,000,000**	**–**	**14,000,000**
Addition	**–**	**9,116,303**	**9,116,303**
Payments made	**(14,000,000)**	**–**	**(14,000,000)**
As at 31 March	**–**	**9,116,303**	**9,116,303**

(i) Provision for liquidated ascertained damages is in respect of construction projects undertaken by the Group. The provision is recognised for expected liquidated ascertained damages claims based on the terms of the applicable construction agreements.

(ii) This is estimate liability, as assessed by the Directors, arising from the provision for value work done by site valuation to subcontractors.

27. TRADE AND OTHER PAYABLES

	Group		Company	
	2015 RM	**2014 RM**	**2015 RM**	**2014 RM**
Current				
Trade payables (i)	**175,894,693**	158,823,190	**–**	–
Other payables				
Accruals	**1,037,141**	1,363,776	**–**	–
Other payables (ii)	**14,534,312**	23,593,229	**11,006,454**	8,918,028
Trade deposits	**4,215,739**	99,887	**–**	–
	19,787,192	25,056,892	**11,006,454**	8,918,028
	195,681,885	183,880,082	**11,006,454**	8,918,028
Total trade and other payables	**195,681,885**	183,880,082	**11,006,454**	8,918,028
Add : Borrowings	**152,344,748**	189,126,271	**1,855,204**	1,948,708
Total financial liabilities at amortised cost	**348,026,633**	373,006,353	**12,861,658**	10,866,736

(i) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 days.

(ii) Included in other payables in previous financial year was an amount of RM9,720,540 which represented the balance purchase price payable for the acquisition of land held for property development referred in Note 11 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS cont'd
FOR THE YEAR ENDED 31 MARCH 2015

28. REVENUE

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Construction contracts	**356,377,191**	231,972,773	**–**	–
Dividend income	**–**	–	**3,041,934**	42,500,000
Management fees	**–**	–	**12,842,171**	12,848,421
Property development	**47,687,757**	31,499,469	**–**	–
Rental income	**685,363**	676,108	**–**	–
Trading and services	**21,452,893**	25,527,737	**–**	–
	426,203,204	289,676,087	**15,884,105**	55,348,421

29. COST OF SALES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Construction contracts costs	**335,150,497**	216,193,712	**–**	–
Property development costs	**37,201,343**	21,673,553	**–**	–
Cost of inventories sold	**5,759,108**	6,861,088	**–**	–
Cost of services rendered	**12,065,874**	13,702,457	**–**	–
	390,176,822	258,430,810	**–**	–

30. OTHER INCOME

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Interest income	**747,491**	269,211	**517,331**	366,031
Gain on disposal of property, plant and equipment	**381,304**	1,577,498	**25,781**	2,183
Gain on disposal of				
- Investment properties	**2,772,704**	1,355,973	**–**	–
- Other investments	**695,423**	–	**156,683**	–
Gain on foreign exchange				
- Realised	**46,378**	–	**492**	–
- Unrealised	**926,832**	306,116	**265,843**	4,185
Rental income	**108,000**	151,335	**1,283,927**	1,371,741
Reversal of impairment loss on other investments	**–**	864,825	**–**	–
Upkeep of motor vehicle recoverable	**61,800**	61,800	**61,800**	61,800
Other	**5,148,730**	1,517,157	**679,898**	814,617
	10,888,662	6,103,915	**2,991,755**	2,620,557

Included in interest income from loan and receivables of the Company is interest of RM386,058 (2014 - RM365,931) from a fellow subsidiary.

31. FINANCE COSTS

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Interest expense on					
Bank borrowings		**10,883,589**	10,492,463	**117,801**	127,585
Hire purchase and finance lease liabilities		**618,208**	580,809	**17,570**	24,223
		11,501,797	11,073,272	**135,371**	151,808
Less : Interest expense capitalised in:					
Land held for property development	11	**(988,428)**	(1,013,942)	**–**	–
Property development cost	12	**(722,496)**	(1,685,494)	**–**	–
Total interest expense		**9,790,873**	8,373,836	**135,371**	151,808

32. (LOSS)/PROFIT BEFORE TAX

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

	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
After charging:				
Assets of disposal group classified as held for sales - Written-off	**–**	6	**–**	6
Auditors' remuneration -				
Current year	**300,490**	306,402	**90,000**	95,400
Under/(Over) provision in prior years	**13,255**	(4,000)	**–**	–
Bad debt written off	**14,200**	2,580,895	**–**	2,580,895
Directors' remuneration -				
Fee	**367,000**	387,500	**355,000**	375,500
Emoluments	**5,917,511**	6,432,579	**4,218,720**	4,387,735
Impairment loss on other investments	**34,600**	–	**34,600**	–
Other investments - Written-off	**–**	–	**–**	10
Loss on foreign exchange -				
Realised	**116,650**	2,714	**90,801**	–
Unrealised	**6,421**	3,455	**1,184**	2,400
Property, plant and equipment -				
Depreciation	**6,715,253**	5,812,911	**515,727**	503,514
Loss on disposal	**3,388**	53,456	**3,061**	–
Written-off	**34,698**	387,825	**–**	3,160

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FOR THE YEAR ENDED 31 MARCH 2015

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

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
After charging (cont'd):				
Rental -				
Plant and machinery	**3,805,956**	7,173,403	**–**	–
Land and buildings	**3,063,399**	3,531,706	**1,928,143**	2,018,037
Office equipment	**3,960**	5,280	**–**	–
Staff costs (i)	**49,154,581**	46,759,599	**6,235,669**	6,068,692
(i) Staff costs -				
Wages, salaries and other	**44,169,638**	41,870,752	**5,298,254**	5,111,478
Employees Provident Fund	**4,984,943**	4,888,847	**937,415**	957,214
	49,154,581	46,759,599	**6,235,669**	6,068,692

33. INCOME TAX

	Group	
	2015 RM	2014 RM
Continuing operations		
Current income tax		
Malaysian income tax	**109,093**	1,858,510
Foreign tax	**–**	162,833
Over provision in prior years		
Malaysian income tax	**(553,662)**	(563,281)
	(444,569)	1,458,062
Deferred tax		
Relating to origination and reversal of differences	**(18,000)**	178,600
Total income tax	**(462,569)**	1,636,662

Domestic current income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the financial year.

33. INCOME TAX (CONT'D)

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

	Group	
	2015 RM	2014 RM
Loss before tax from:		
Continuing operations	**(2,881,268)**	(25,680,849)
Taxation at Malaysian statutory tax rate of 25%	**(720,317)**	(6,420,212)
Income not subject to tax	**(1,433,114)**	(833,518)
Effect of share of loss of associates	**1,507,120**	3,853,830
Effect of partial tax relief	**(364,957)**	–
Expenses not deductible for tax purposes	**2,797,658**	2,304,310
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	**1,326,003**	3,333,435
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	**(3,021,300)**	(37,902)
Over provision of tax expenses in prior years	**(553,662)**	(563,281)
Income tax for the financial year	**(462,569)**	1,636,662

	Company	
	2015 RM	2014 RM
Profit before tax	**2,270,334**	38,796,537
Taxation at Malaysian statutory tax rate of 25%	**567,584**	9,699,134
Income not subject to tax	**(1,144,358)**	(10,625,992)
Expenses not deductible for tax purposes	**326,204**	731,568
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	**250,570**	195,290
Income tax for the financial year	**–**	–

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Tax savings during the financial year arising from:				
Utilisation of current year's tax losses	**183,782**	527,290	**183,782**	363,000
Utilisation of previously unrecognised tax losses	**437,496**	151,608	**–**	–

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FOR THE YEAR ENDED 31 MARCH 2015

34. LOSS PER SHARE

(a) Loss per share is calculated by dividing loss for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year, excluding treasury shares held by the Company.

	2015 RM	2014 RM
Loss from continuing operations attributable to owners of the Company	**(2,418,699)**	(27,317,511)
Weighted average number of ordinary shares in issue	**157,451,962**	122,677,369
Loss per share attributable to owners of the Company (sen)		
Basic	**(1.54)**	(22.27)

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

(b) Diluted loss per ordinary share

The diluted loss per ordinary shares is equal to the basic loss per share because the outstanding warrants are anti-dilutive as the market value of the Company's shares is lower than the exercise price of the warrants.

35. OPERATING LEASE ARRANGEMENTS

The Group has entered into operating lease agreements on its investment property portfolio. These leases have remaining lease terms of not later than 5 years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions and certain contracts include contingent rental arrangements computed based on sales achieved by tenants.

The future minimum lease payments receivable under operating leases contracted for as at the balance sheet date but not recognised as receivable, are as follows:

	2015 RM	2014 RM
Not later than 1 year	**68,979**	392,663
Later than 1 year but not later than 5 years	**45,317**	254,533
	114,296	647,196

Investment property rental income including contingent rent are recognised in profit or loss during the financial year as disclosed in Note 28 to the financial statements.

36. RELATED PARTY DISCLOSURES

	Group	
	2015 RM	**2014 RM**
Service rendered by a Director		
Consultant fee charged by		
- Mr Kwok Yoke How	**–**	172,200
Companies in which certain Directors are deemed to have interests:		
Building materials and spare parts purchased from/(by)		
- Amatir Resources Sdn Bhd	**1,939**	–
- Binaderas Sdn Bhd	**–**	154,406
- ICSD Ventures Sdn Bhd	**–**	(22,686)
- Imuda Sdn Bhd	**(6,323)**	617,185
- Iringan Flora Sdn Bhd	**39,182**	35,090
- Quality Parts Sdn Bhd	**1,588,973**	1,208,361
Progress billings on contracts (to)/from		
- Amatir Resources Sdn Bhd	**(5,021,538)**	(4,666,517)
- Excellent Bonanza Sdn Bhd	**–**	(2,340,374)
- ICSD Ventures Sdn Bhd	**–**	(113,928)
- Imuda Sdn Bhd	**6,087,108**	–
- Iringan Flora Sdn Bhd	**455,561**	(2,755,279)
- Ireka Land Sdn Bhd	**(3,792,064)**	(19,305,285)
- Urban DNA Sdn Bhd	**(27,183,595)**	(4,848,291)
Reimbursement of expenses from/(to)		
- Amatir Resources Sdn Bhd	**130,463**	12,272
- Binaderas Sdn Bhd	**6,122**	(51,955)
- ICSD Ventures Sdn Bhd	**–**	(5,622)
- Imuda Sdn Bhd	**782,176**	865,611
- Ireka Land Sdn Bhd	**599,762**	257,458
- Iringan Flora Sdn Bhd	**39,464**	6,791
- Priority Elite Sdn Bhd	**–**	(181)
- Quality Parts Sdn Bhd	**(800)**	87,456
- Urban DNA Sdn Bhd	**1,611**	–

	Company	
	2015 RM	**2014 RM**
Subsidiary companies:		
Dividend income	**(3,041,934)**	(42,500,000)
Interest income	**(386,058)**	(365,931)
Labour charges recoverable	**(659,868)**	(778,078)
Management fees	**(12,842,171)**	(12,848,421)
Maintenance fees	**81,000**	81,000
Rental income	**(1,283,927)**	(1,382,691)
Transport income	**–**	(9,168)

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

36. RELATED PARTY DISCLOSURES (CONT'D)

Outstanding balances arising from trade transactions during the financial year are as follows:

	Group	
	2015 RM	2014 RM
Included in trade and other receivables:		
Aseana Properties Limited	**93,201**	2,632,201
Amatir Resources Sdn Bhd	**151,255**	794,730
Bumijaya Mawar Sdn Bhd	**–**	74
Hoa Lam - Shangri-la 1 Liability Ltd Co	**–**	13,582,607
ICSD Ventures Sdn Bhd	**219,448**	587,803
Ireka Land Sdn Bhd	**–**	10,978,380
Imuda Sdn Bhd	**2,259,912**	1,901,375
Inovtecs Sdn Bhd	**1,735,938**	1,735,938
Priority Elite Sdn Bhd	**–**	84
Urban DNA Sdn Bhd	**3,576,024**	3,436,147
Uspa Construction Sdn Bhd	**3,795,722**	3,795,722
	11,831,500	39,445,061
Included in trade and other payables:		
Aseana Properties Limited	**21,476**	14,295
Amatir Resources Sdn Bhd	**5,434,116**	–
Binaderas Sdn Bhd	**3,765,229**	3,759,107
ICSD Ventures Sdn Bhd	**832,168**	–
Imuda Sdn Bhd	**9,534,398**	–
Ireka Land Sdn Bhd	**532,737**	467,090
Iringan Flora Sdn Bhd	**8,784**	19,719
Quality Parts Sdn Bhd	**996,429**	890,086
Urban DNA Sdn Bhd	**4,216,872**	16,872
	25,342,209	5,167,169

	Company	
	2015 RM	2014 RM
Included in trade and other receivables:		
Aseana Properties Limited	**288**	2,760
Bumijaya Mawar Sdn Bhd	**–**	74
ICSD Ventures Sdn Bhd	**92,853**	186,865
Imuda Sdn Bhd	**8,632**	15,860
Ireka Land Sdn Bhd	**–**	8
Priority Elite Sdn Bhd	**–**	84
	101,773	205,651

The Directors are in the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

36. RELATED PARTY DISCLOSURES (CONT'D)

Included in the total key management personnel are:

		Group		Company	
	Note	2015 RM	2014 RM	2015 RM	2014 RM
Directors' remuneration	32	**6,284,511**	6,820,079	**4,573,720**	4,763,235

37. CONTINGENT LIABILITIES

	Group	
	2015 RM	2014 RM
Unsecured - Claims by sub-contractor pertaining to the additional work (i)	**1,564,081**	1,564,081

(i) As arbitral proceedings have not yet been completed and therefore it is not practicable to state the timing of any payment. The Group has been advised by its legal counsel that the Group has a reasonable prospect of success in defending a part of sub-contractor's claims and accordingly no provision for any liability has been made in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

38. SEGMENTAL INFORMATION

Primary Reporting - Business segments

	Continuing Operations						
	Construction RM	Property Development RM	Trading and Services RM	Property Investment RM	Investment Holding RM	Elimination RM	Total RM
2015							
Revenue							
External sales	356,377,191	47,687,757	21,452,893	685,363	–	–	426,203,204
Inter-segment sales	41,869,462	–	3,496,215	469,788	15,884,105	(61,719,570)	–
Total revenue	398,246,653	47,687,757	24,949,108	1,155,151	15,884,105	(61,719,570)	426,203,204
Result							
Segment result	15,456,778	431,964	(3,305,392)	3,188,552	2,912,206	(6,493,514)	12,190,594
Finance costs							(9,790,873)
Interest income							747,491
Share of loss of associates					(6,028,480)		(6,028,480)
Loss before tax							(2,881,268)
Income tax expense							462,569
Loss for the year							(2,418,699)

Information about a major customer

Revenue from major customer amounted to RM21,226,340, arising from revenue earned by the construction segment.

Primary Reporting - Other information

	Continuing Operations							Discontinued Operation	Per Consolidated Financial Statements
	Construction RM	Property Development RM	Trading and Services RM	Property Investment RM	Investment Holding RM	Elimination RM	Total RM	RM	Total RM
2015									
Other Information									
Segment assets	292,608,302	67,685,909	13,076,498	28,203,757	194,299,990	(48,768,020)	547,106,436	–	547,106,436
Segment liabilities	323,054,097	7,708,268	3,077,708	13,255,352	14,179,519	–	361,274,944	–	361,274,944
Additions to non-current assets:									
Property, plant and equipment	6,971,798	3,865	94,946	–	809,716	–	7,880,325	–	7,880,325
Investment properties	–	–	–	2,550,750	–	(2,550,750)	–	–	–
Land held for property development	–	9,398,805	–	–	–	–	9,398,805	–	9,398,805
Depreciation	5,290,051	4,490	729,791	161,027	529,894	–	6,715,253	–	6,715,253

38. SEGMENTAL INFORMATION (CONT'D)

Primary Reporting - Business segments

	Continuing Operations						
	Construction RM	Property Development RM	Trading and Services RM	Property Investment RM	Investment Holding RM	Elimination RM	Total RM
2014							
Revenue							
External sales	231,972,773	31,499,469	25,527,737	676,108	–	–	289,676,087
Inter-segment sales	21,762,597	–	5,895,912	475,068	55,348,421	(83,481,998)	–
Total revenue	253,735,370	31,499,469	31,423,649	1,151,176	55,348,421	(83,481,998)	289,676,087
Result							
Segment result	(2,262,140)	3,577,609	(572,100)	1,065,281	20,825,501	(24,795,055)	(2,160,904)
Finance costs							(8,373,836)
Interest income							269,211
Share of loss of associates					(15,415,320)		(15,415,320)
Loss before tax							(25,680,849)
Income tax expense							(1,636,662)
Loss for the year							(27,317,511)

Information about a major customer

Revenue from major customer amounted to RM18,084,240, arising from revenue earned by the construction segment.

Primary Reporting - Other information

	Continuing Operations							Discontinued Operation	Per Consolidated Financial Statements
	Construction RM	Property Development RM	Trading and Services RM	Property Investment RM	Investment Holding RM	Elimination RM	Total RM	RM	Total RM
2014									
Other Information									
Segment assets	276,808,782	64,765,419	18,308,133	26,442,981	196,687,927	(39,261,275)	543,751,967	–	543,751,967
Segment liabilities	330,838,499	31,068,024	4,793,260	13,131,935	12,174,074	–	392,005,792	–	392,005,792
Additions to non-current assets:									
Property, plant and equipment	9,380,592	10,935	143,711	–	36,298	–	9,571,536	–	9,571,536
Investment properties	46,710	–	–	1,119,510	–	–	1,166,220	–	1,166,220
Land held for property development	–	4,596,383	–	–	–	–	4,596,383	–	4,596,383
Depreciation	4,278,348	5,592	836,610	173,089	519,272	–	5,812,911	–	5,812,911
Reversal of impairment loss	–	–	–	–	(864,825)	–	(864,825)	–	(864,825)

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

38. SEGMENTAL INFORMATION (CONT'D)

Geographical information

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

	Revenue		Non-current Assets	
	2015 RM	2014 RM	2015 RM	2014 RM
Malaysia	**425,243,475**	284,525,494	**247,957,047**	255,073,337
Vietnam	**959,729**	5,150,593	**695,092**	2,253,992
	426,203,204	289,676,087	**248,652,139**	257,327,329

Non-current assets information presented above consist of the following items as presented in the consolidated statement of financial position:

	Malaysia 2015 RM	Vietnam 2015 RM	Malaysia 2014 RM	Vietnam 2014 RM
Property, plant and equipment	**59,994,164**	**15,691**	59,187,274	151,699
Investment properties	**11,762,502**	**–**	19,902,826	–
Investment in associates	**123,039,311**	**–**	131,968,972	–
Others investments	**41,500**	**679,401**	275,500	2,102,293
Land held for property development	**53,119,570**	**–**	43,720,765	–
	247,957,047	**695,092**	255,055,337	2,253,992

39. FINANCIAL RISK MANAGEMENT

The main areas of financial risks faced by the Group are foreign currency risk, interest rate risk, credit risk, price risk, liquidity and cash flow risks. The Group's overall financial risk management objective is to ensure that the Group enhances shareholders' value. The Group establishes and operates within financial risk management policies approved by the Board of Directors to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing these risks. Financial risk management is carried out through risk reviews, internal control systems and adherence to the Group's financial risk management policies.

(a) Foreign currency risk

The Group has investments in United Kingdom and Vietnam and is exposed to United State Dollars and Vietnamese Dong. Foreign currency denominated assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currencies give rise to foreign exchange exposure.

The Group's policy is to minimise exposure on foreign currency by matching foreign currency receivables against foreign currency payable, and whenever possible, to borrow in the currency of the country in which the business is located.

39. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Foreign currency risk (cont'd)

Currency profile of major financial assets and liabilities

Group	Denominated in other than Functional Currencies: US Dollar	VND	GBP	SGD	Demoninated in Functional Currencies	Total
2015						
Other investments	**–**	**679,401**	**–**	**–**	**41,500**	**720,901**
Trade and other receivables	**–**	**–**	**–**	**–**	**144,529,473**	**144,529,473**
Cash and bank balances	**198,023**	**271,708**	**337**	**123,320**	**29,187,304**	**29,780,692**
	198,023	**951,109**	**337**	**123,320**	**173,758,277**	**175,031,066**
2014						
Other investments	–	2,102,293	–	–	275,500	2,377,793
Trade and other receivables	–	582,720	–	–	140,535,696	141,118,416
Cash and bank balances	141,409	244,143	333	128,466	35,860,944	36,375,295
	141,409	2,929,156	333	128,466	176,672,140	179,871,504
Company						
2015						
Cash and bank balances	**171,669**	**5,237**	**–**	**–**	**3,835,522**	**4,012,428**
2014						
Cash and bank balances	113,399	1,699	–	–	3,700,621	3,815,719

The group is exposed to currency translation risk arising from its net investments in foreign operations in Vietnam.

Sensitivity analysis for foreign currency risk

At 31 March 2015, if other investments, trade and other receivables and cash and bank balances denominated in a currency other than the functional currency of the Group and of the Company entity strengthened/(weakened) by 10% and all other variables were held constant, the effects on the Group's profit and loss and equity expressed in Ringgit Malaysia would have been RM127,279/(RM127,279) (2014 - RM319,936/(RM319,936)) and the Company's profit and loss and equity would have been RM17,691/(RM17,691) (2014 - RM11,510/(RM11,510)).

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FOR THE YEAR ENDED 31 MARCH 2015

39. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Interest rate risk

The Group's primary interest rate risk relates to deposits and interest-bearing debts. The investments in financial assets are mainly short term in nature and mostly have been placed in fixed deposits and money market instruments. The Group manages its interest exposure on interest-bearing financial liabilities by maintaining a prudent mix of fixed and floating rate borrowings, whenever possible.

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

Information relating to the Group's exposure to the interest rate risk of the financial liabilities is disclosed as follows:

Exposure to interest rate risk

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Fixed rate instruments:				
Financial assets	**–**	–	**7,405,287**	7,019,229
Financial liabilities	**8,613,317**	8,509,129	**29,371**	147,977
Floating rate instruments:				
Financial assets	**29,780,692**	36,375,295	**4,012,428**	3,815,719
Financial liabilities	**143,731,431**	180,617,142	**1,825,833**	1,800,731

Sensitivity analysis for interest rate risk

The interest rate risk sensitivity analysis on the fixed rate instrument is not disclosed as this financial instrument is measured at amortised cost.

At 31 March 2015, if interest rate had been 100 basis point higher/lower and all other variables were held constant, the effects on the Group's profit and loss and equity expressed in Ringgit Malaysia would have been RM854,631/(RM854,631) (2014 - RM1,081,814/(RM1,081,814)) and the Company's profit and loss and equity would have been RM16,399/(RM16,399) (2014 - RM15,112/(RM15,112)).

(c) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investments securities, cash and bank balances and derivatives), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

39. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Credit Risk (cont'd)

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. For transactions that do not occur in the country of the relevant operating unit, the Group does not offer credit terms without the approval of the Head of Credit Control. In the previous financial year, the Group has adopted a new policy to enter into trade credit insurance for first-time customers who wish to trade on credit terms in order to mitigate heightened credit risks arising from revenue growth strategies.

The Group does not have any significant exposure to any individual customer nor counterparty, except Aseana Properties Limited and subsidiaries; nor does it have any major concentration of credit risk related to any financial assets, other than as disclosed in Note 36 to the financial statements.

(i) Financial guarantees

Risk managements objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounted to RM58,497,010 (2014 - RM48,012,635) representing the outstanding banking facilities of the subsidiary as at the end of the reporting period.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

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

(ii) Credit risk concentration profile

The Group's major concentration of credit risk relates to the amount owing by a major customer which constituted approximately 3% (2014 - 25%) of its trade receivables as at the end of the reporting period.

(d) Price risk

Equity price risk arises from the Group's investments in quoted shares which are available-for-sale and held by the Group at fair value at reporting date. Gains and losses arising from changes in the fair value of available-for-sale investments are recognised in Group's profit and loss and equity.

Sensitivity analysis for equity price risk

At 31 March 2015, if the Vietnam Ho Chi Minh Stock Index had been 10% higher/lower, with all other variables held constant, the Group's other reserve in equity would have been RM 67,940 (2014 - RM210,229) higher/lower, as a result of an increase/(decrease) in the fair value of equity instruments classified as available-for-sale. As at the reporting date, the impact of changes in 10% in Vietnam Ho Chi Minh Stock Index, with all other variables held constant, is insignificant to the Group's profit and loss and equity.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

39. FINANCIAL RISK MANAGEMENT (CONT'D)

(e) Liquidity and cash flow risks

The Group raises funds as required on the basis of budgeted expenditure and inflows for the next twelve months with the objective of ensuring adequate funds to meet commitments associated with its financial liabilities. When funds are sought, the Group balances the costs and benefits of equity and debt financing against the construction contracts to be undertaken. At 31 March 2015, the Group's borrowings to fund the construction had tenors of less than five years.

Cash flows are monitored on an on-going basis. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for long term and short term financial liabilities as well as cash out flows due in its day to day operations while ensuring sufficient headroom on its undrawn committed borrowing facilities at all times so that borrowing limits and covenants are not breached. Capital investments are committed only after confirming the source of funds, e.g. securing financial liabilities.

Management is of the opinion that most of the bank borrowings can be renewed or re-financed based on the strength of the Group's earnings, cash flow and asset base.

The following tables set out the carrying amounts, the weighted average effective interest rates (WAEIR) as at the balance sheet date and the remaining maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk.

	Note	WAEIR %	On demand or within 1 year RM	1 to 2 years RM	2 to 3 years RM	3 to 4 years RM	Total RM
2015							
Group							
Financial liabilities							
Fixed rate							
Hire purchase and finance lease liabilities	24	6.01	**2,722,255**	**2,424,004**	**1,903,031**	**1,564,027**	**8,613,317**
Floating rate							
Bank overdrafts	24	8.08	**36,688,750**	–	–	–	**36,688,750**
Revolving credits	24	5.24	**49,305,391**	–	–	–	**49,305,391**
Trade finance	24	5.09	**26,097,000**	–	–	–	**26,097,000**
Term loans	24	7.42	**12,897,624**	**12,063,478**	**4,223,016**	**2,456,172**	**31,640,290**
Trade and other payables	27		**195,681,885**	–	–	–	**195,681,885**
Total undiscounted financial liabilities			**320,670,650**	**12,063,478**	**4,223,016**	**2,456,172**	**339,413,316**
Company							
Fixed rate							
Hire purchase and finance lease liabilities	24	2.95	**29,371**	–	–	–	**29,371**
Floating rate							
Bank overdrafts	24	7.89	**810,120**	–	–	–	**810,120**
Revolving credits	24	7.26	**1,015,713**	–	–	–	**1,015,713**
Other payables	27		**11,006,454**	–	–	–	**11,006,454**
Total undiscounted financial liabilities			**12,832,287**	–	–	–	**12,832,287**

39. FINANCIAL RISK MANAGEMENT (CONT'D)

(e) Liquidity and cash flow risks (cont'd)

	Note	WAEIR %	On demand or within 1 year RM	1 to 2 years RM	2 to 3 years RM	3 to 4 years RM	4 to 5 years RM	More than 5 years RM	Total RM
2014									
Group									
Financial liabilities									
Fixed rate									
Hire purchase and finance lease liabilities	24	6.82	3,284,275	2,120,836	1,466,810	1,052,239	584,969	–	8,509,129
Floating rate									
Bank overdrafts	24	7.32	52,734,303	–	–	–	–	–	52,734,303
Revolving credits	24	4.70	53,210,782	–	–	–	–	–	53,210,782
Trade finance	24	4.54	24,526,000	–	–	–	–	–	24,526,000
Term loans	24	6.70	7,667,299	18,289,875	12,044,460	4,468,512	3,545,576	4,130,335	50,146,057
Trade and other payables	27		183,880,082	–	–	–	–	–	183,880,082
Total undiscounted financial liabilities			322,018,466	18,289,875	12,044,460	4,468,512	3,545,576	4,130,335	364,497,224
Company									
Fixed rate									
Hire purchase and finance lease liabilities	24	4.63	130,677	17,300	–	–	–	–	147,977
Floating rate									
Bank overdrafts	24	7.54	785,885	–	–	–	–	–	785,885
Revolving credits	24	6.66	1,014,846	–	–	–	–	–	1,014,846
Other payables	27		8,918,028	–	–	–	–	–	8,918,028
Total undiscounted financial liabilities			10,718,759	–	–	–	–	–	10,718,759

(f) Fair values

The carrying amount of trade and other receivables, deposits, cash and cash equivalents, trade and other payables, accruals and current bank loans and borrowings approximate their fair values in the current and prior years due to relatively short term in nature of these financial instruments.

Non current bank loans earn interest at floating rates and the fair value in the current and prior years approximates to the carrying value.

The fair value of quoted shares is determined by reference to stock exchange quoted market bid prices at the close of the business on the balance sheet date. No disclosure is made in respect of unquoted investment as it is not practicable to determine their fair values because of the lack of quoted market price.

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

39. FINANCIAL RISK MANAGEMENT (CONT'D)

(f) Fair values (cont'd)

The table below analyses financial instruments carried at fair value at the end of the reporting date by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (such as prices) or indirectly (such as derived from prices).
- Level 3: Inputs for the assets or liability that are not based on observable market date (unobservable inputs).

At the end of the reporting period, the Group held the following financial instruments carried at fair value on the statement of financial position:

	Level 1	
Group	**2015 RM**	**2014 RM**
Other investments		
Investment in quoted shares	**679,401**	2,102,293

There were no transfers between level 1, 2 and level 3 fair value measurements during the financial year ended 31 March 2014 and 31 March 2015.

The Company provides financial guarantees to banks for credit facilities extended to certain subsidiaries. The fair value of such financial guarantees is not expected to be material as the probability of the subsidiaries defaulting on the credit lines is remote.

The Directors do not anticipate the carrying amounts recorded in the balance sheet to be significantly different from the fair values of the non-trade amounts due to/from intergroup of companies within the Group.

It is not practicable to estimate the fair value of contingent liabilities reliably due to the uncertainties of timing, costs and eventual outcome.

The fair values of others financial assets and liabilities, together with the carrying amounts shown in the statements of financial position, are as follows:

	2015		2014	
	Carrying Amount RM	**Fair Value RM**	**Carrying Amount RM**	**Fair Value RM**
Group				
Hire purchase and finance lease liabilities	**8,613,317**	**9,342,485**	8,509,129	8,929,836
Company				
Hire purchase and finance lease liabilities	**29,371**	**33,708**	147,977	168,142

39. FINANCIAL RISK MANAGEMENT (CONT'D)

(f) Fair values (cont'd)

The following summarises the methods used in determining the fair value of financial instruments reflected in the above table.

Non-derivative financial liabilities

Fair value, which is determined for disclosures purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period. For finance leases the market rate of interest is determined by references to similar lease agreements.

Interest rate used to determine fair value

The interest rates used to discount estimated cash flows are as follows:

	2015 %	2014 %
Hire purchase and finance lease liabilities	**6.05 - 10.00**	4.59 - 10.00

40. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust for the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2015 and 31 March 2014.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity attributable to the owner of the parent. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

		Group		Company	
	Note	2015 RM	2014 RM	2015 RM	2014 RM
Bank borrowings	24	**152,344,748**	189,126,271	**1,855,204**	1,948,708
Less : Cash and cash equivalents	18	**(29,780,692)**	(36,375,295)	**(4,012,428)**	(3,815,719)
Net debt		**122,564,056**	152,750,976	**(2,157,224)**	(1,867,011)
Equity attributable to the owners of the Company		**185,831,492**	151,746,175	**281,253,130**	242,511,484
Capital and net debt		**308,395,548**	304,497,151	**279,095,906**	240,644,473
Gearing ratio (net cash)		**0.66**	1.01	**–**	–

NOTES TO THE FINANCIAL STATEMENTS cont'd

FOR THE YEAR ENDED 31 MARCH 2015

41. SUBSEQUENT EVENTS

On 26 December 2014, the Board of Directors announced that Ireka Engineering & Construction Sdn Bhd, a wholly-owned subsidiary of the Company, has on 26 December 2014 entered into a sale and purchase agreement with AEON Co. (M) Bhd for the disposal of a parcel of land located at Pekan Senawang, Daerah Seremban, Negeri Sembilan for a cash consideration of RM53,662,435.20. The proposed disposal was subsequently approved by shareholders of the Company at the extraordinary general meeting held on 23 April 2015.

42. SUPPLEMENTARY INFORMATION ON THE BREAKDOWN OF REALISED AND UNREALISED PROFITS OR LOSSES

The breakdown of the retained earnings of the Group and of the Company as at 31 March 2015 and 31 March 2014, into realised and unrealised profits/(losses), pursuant to the directive, is as follows:

	Group		Company	
	2015 RM	**2014 RM**	**2015 RM**	**2014 RM**
The retained earnings of the Company and its subsidiaries:				
- Realised	**62,048,260**	56,155,049	**109,606,158**	107,335,824
- Unrealised	**(6,638,564)**	(4,355,134)	**(610,000)**	(610,000)
	55,409,696	51,799,915	**108,996,158**	106,725,824
The shares of accumulated losses of its associates:				
- Realised	**(43,994,220)**	(38,286,057)	**–**	–
- Unrealised	**2,317,405**	2,637,722	**–**	–
	(41,676,815)	(35,648,335)	**–**	–
Total retained earnings	**13,732,881**	16,151,580	**108,996,158**	106,725,824

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia's Listing Requirements, issued by Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits 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.

STATISTICS OF SHAREHOLDINGS
AS AT 31 JULY 2015

Authorised share capital	:	RM500,000,000.00
Issued & fully paid-up capital	:	RM170,872,050.00
Class of shares	:	Ordinary Share of RM1.00 each
Voting right	:	1 vote per ordinary share

Size of holdings	No. of Shareholders	No. of Shares	%
1 – 99	63	856	0.00
100 – 1,000	752	687,244	0.40
1,001 – 10,000	1,631	7,413,300	4.34
10,001 – 100,000	573	17,499,341	10.24
100,001 – less than 5% of issued shares	84	48,670,940	28.49
5% and above of issued shares	4	96,600,369	56.53
Total	**3,107**	**170,872,050**	**100.00**

Directors' Shareholdings

	Direct		Indirect	
Directors	No. of Shares	%	No. of Shares	%
Datuk Lai Siew Wah *P.G.D.K.*	–	–	73,502,997*	43.02
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*	8,663,750	5.07	–	–
Chan Soo Har @ Chan Kay Chong	3,277,125	1.92	23,097,372**	13.52
Lai Man Moi	2,161,125	1.26	23,097,372**	13.52
Lai Voon Hon	18,000	0.01	73,502,997*	43.02
Lai Voon Huey, Monica	9,000	0.01	73,502,997*	43.02
Tan Thiam Chai	29,250	0.02	–	–
Haji Mohd. Sharif bin Haji Yusof	–	–	–	–
Hoe Kah Soon	–	–	–	–
Dato' Azmi bin Abdullah	–	–	–	–

STATISTICS OF SHAREHOLDINGS cont'd

AS AT 31 JULY 2015

Substantial Shareholders' Holdings

	Direct		Indirect	
Substantial Shareholders	**No. of Shares**	**%**	**No. of Shares**	**%**
Ideal Land Holdings Sdn Bhd	73,502,997	43.02	–	–
Magnipact Resources Sdn Bhd	23,097,372	13.52	–	–
Green Rivervale Holdings Sdn Bhd	–	–	23,097,372^	13.52
Chan Soo Har @ Chan Kay Chong	3,277,125	1.92	23,097,372**	13.52
Lai Man Moi	2,161,125	1.26	23,097,372**	13.52
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*	8,663,750	5.07	–	–
Datuk Lai Siew Wah *P.G.D.K.*	–	–	73,502,997*	43.02
Lai Voon Hon	18,000	0.01	73,502,997*	43.02
Lai Voon Keat	–	–	73,502,997*	43.02
Lai Voon Wai	–	–	73,502,997*	43.02
Liw Yoke Yin	18,000	0.01	73,502,997*	43.02

Notes:

* Deemed interests through Ideal Land Holdings Sdn Bhd

** Deemed interests through Green Rivervale Holdings Sdn Bhd

^ Deemed interests through Magnipact Resources Sdn Bhd

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1.	RHB Capital Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Ideal Land Holdings Sdn Bhd)	45,502,997	26.63
2.	RHB Capital Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Magnipact Resources Sdn Bhd)	23,097,372	13.52
3.	Amsec Nominees (Tempatan) Sdn Bhd (Pledged Securities Account - AmBank (M) Berhad for Ideal Land Holdings Sdn Bhd)	14,500,000	8.49
4.	RHB Capital Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Ideal Land Holdings Sdn Bhd (Magnipact))	13,500,000	7.90
5.	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Lai Jaat Kong @ Lai Foot Kong)	6,524,050	3.82
6.	Thong Kok Cheong	5,663,950	3.31
7.	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Chan Soo Har @ Chan Kay Chong)	2,592,375	1.52
8.	Lim Sow Mun	2,300,000	1.35
9.	Lai Jaat Kong @ Lai Foot Kong	2,139,700	1.25
10.	Sapiah @ Safiah binti Hussin	1,800,000	1.05
11.	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Lai Man Moi)	1,720,375	1.01
12.	Abdullah bin Yusof	1,500,000	0.88
13.	Alliancegroup Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Ang Yook Chu @ Ang Yoke Fong (8076574))	1,469,000	0.86
14.	How Sue Chan @ Ho Sue Chan	1,212,900	0.71
15.	Chan Lin Yau	1,200,000	0.70
16.	Kwok Yoke How	1,166,600	0.68
17.	Choon Siew & Sons Sdn. Berhad	1,030,000	0.60
18.	GV Asia Fund Limited	913,000	0.53
19.	Tan Hwa Ling @ Tan Siew Leng	789,900	0.46
20.	Lim Jit Hai	760,000	0.44
21.	HSBC Nominees (Asing) Sdn Bhd (Exempt An for HSBC Broking Securities (Asia) Limited (Client A/C))	577,800	0.34
22.	Kwok Yoke How	576,003	0.34
23.	Yap Ai Synn @ Yap Ai Chin	545,000	0.32
24.	CIMB Group Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Chan Soo Har @ Chan Kay Chong (4748 CWAY))	511,500	0.30
25.	JF APEX Nominees (Tempatan) Sdn Bhd (Huatai Financial Holdings (HK) Limited for GV Asia Fund Limited)	500,000	0.29
26.	RHB Nominees (Asing) Sdn Bhd (Maybank Kim Eng Securities Pte. Ltd. for Exquisite Holdings Limited)	500,000	0.29
27.	Chong Ching Yee	444,700	0.26
28.	Lai Man Moi	440,750	0.26
29.	HSBC Nominees (Asing) Sdn Bhd (Exempt An for Credit Suisse (SG BR-TST-ASING))	413,475	0.24
30.	Leow Peng Seong	385,500	0.23

STATISTICS OF WARRANT HOLDINGS

AS AT 31 JULY 2015

No. of Warrants in issue	:	56,957,350
Exercise Price per Warrant	:	RM1.00
Exercise Period	:	26 June 2014 – 25 June 2019
Exercise Rights	:	Each warrant entitles the holder to subscribe for one new ordinary share of RM1.00 each in the Company

Size of holdings	No. of Holders	No. of Warrants	%
1 – 99	8	354	0.00
100 – 1,000	173	128,580	0.23
1,001 – 10,000	404	1,698,806	2.98
10,001 – 100,000	204	7,160,700	12.57
100,001 – less than 5% of issued warrants	41	15,768,787	27.69
5% and above of issued warrants	2	32,200,123	56.53
Total	**832**	**56,957,350**	**100.00**

Directors' Warrant Holdings

	Direct		Indirect	
Directors	No. of Warrants	%	No. of Warrants	%
Datuk Lai Siew Wah *P.G.D.K.*	–	–	24,500,999*	43.02
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*	2,924,050	5.13	–	–
Chan Soo Har @ Chan Kay Chong	1,092,375	1.92	7,699,124**	13.52
Lai Man Moi	720,375	1.26	7,699,124**	13.52
Lai Voon Hon	6,000	0.01	24,500,999*	43.02
Lai Voon Huey, Monica	3,000	0.01	24,500,999*	43.02
Tan Thiam Chai	9,750	0.02	–	–
Haji Mohd. Sharif bin Haji Yusof	–	–	–	–
Hoe Kah Soon	–	–	–	–
Dato' Azmi bin Abdullah	–	–	–	–

Notes:

* Deemed interests through Ideal Land Holdings Sdn Bhd

** Deemed interests through Green Rivervale Holdings Sdn Bhd

THIRTY (30) LARGEST WARRANT HOLDERS

NO.	NAME	No. of Warrants	%
1.	RHB Capital Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Ideal Land Holdings Sdn Bhd)	24,500,999	43.02
2.	RHB Capital Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Magnipact Resources Sdn Bhd)	7,699,124	13.52
3.	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Lai Jaat Kong @ Lai Foot Kong)	2,824,050	4.96
4.	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Chan Soo Har @ Chan Kay Chong)	1,092,375	1.92
5.	Lee Phooi Har	959,100	1.68
6.	Lim Sow Mun	803,900	1.41
7.	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Lai Man Moi)	720,375	1.26
8.	Chong Ching Yee	700,000	1.23
9.	Choong Wai Kee	694,000	1.22
10.	RHB Nominees (Tempatan) Sdn Bhd (Maybank Kim Eng Securities Pte. Ltd. for Sin Khuan Oi)	525,100	0.92
11.	Affin Hwang Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Tan Boon Pock (TAN6190M))	500,000	0.88
12.	Lian Wah Seng	500,000	0.88
13.	Lim Siew Mei	470,000	0.83
14.	Cimsec Nominees (Tempatan) Sdn Bhd (CIMB Bank for Goh Joon Tat (MP0272))	430,400	0.76
15.	Citigroup Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Tan Soon Moi (471430))	400,000	0.70
16.	Chan Lin Yau	370,700	0.65
17.	Teo Meng Hai	331,700	0.58
18.	Teo Ah Seng	297,700	0.52
19.	Khoo Boo Chin	270,000	0.47
20.	Tan Hwa Ling @ Tan Siew Leng	254,000	0.45
21.	Sinar Maju Enterprise Sdn Bhd	241,600	0.42
22.	Lim E @ Lim Hoon Nam	201,700	0.35
23.	Choon Siew & Sons Sdn. Berhad	200,000	0.35
24.	Maybank Securities Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Lee Yoong Fah)	200,000	0.35
25.	Ng Bak Khoon	200,000	0.35
26.	Ng Sim Kim	200,000	0.35
27.	HSBC Nominees (Asing) Sdn Bhd (Exempt An for HSBC Broking Securities (Asia) Limited (Client A/C))	192,600	0.34
28.	Khoo Su-Lin	190,000	0.33
29.	HSBC Nominees (Asing) Sdn Bhd (Exempt An for Credit Suisse (SG BR-TST-ASING))	187,375	0.33
30.	Chan Why Kim	170,000	0.30

LIST OF MATERIAL PROPERTIES
AS AT 31 MARCH 2015

No.	Location	Tenure	Approximate Land Area/ Built-Up Area (sq. ft.)	Description	Age (Years)	Net Book Value (RM)	Year of Acquisition
1.	Geran 53316 Lot 1084 Mukim of Kajang Daerah Ulu Langat Selangor Darul Ehsan	Freehold	897,064	Industrial land for development	N/A	22,426,558	2011
2.	Lot PT17741, Mukim Batu Kuala Lumpur Sectors 3, 5-7, 11-13 i-ZEN@Kiara II Mont' Kiara Kuala Lumpur	Freehold	25,565	Office space for own/external use	8	9,801,906	2007
3.	Lot PT17741, Mukim Batu Kuala Lumpur, Level 30-31 1 Mont' Kiara, Mont' Kiara Kuala Lumpur	Freehold	18,406	Office suites for investment	5	7,860,993	2007
4.	PT 37824, Mukim Kajang Daerah Ulu Langat Selangor Darul Ehsan	Freehold	272,915	Industrial land for development	N/A	9,534,904	2009
5.	Lot PT37823, Mukim Kajang Daerah Ulu Langat Selangor Darul Ehsan	Freehold	203,610	Industrial land for development	N/A	6,829,516	2009
6.	Lot 8850, Mukim of Kajang Daerah Ulu Langat Selangor Darul Ehsan	Freehold	220,790	Agricultural land for future development	N/A	2,097,654	2011
7.	MG-01-09 @ SENI Mont' Kiara Kuala Lumpur	Freehold	3,401	Condominium for investment	4	1,989,920	2009
8.	GRN 280415, Lot 3911 Mukim Sungai Gumut Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	43,986	Homesteads for investment	N/A	439,570	1995
9.	GRN 280622, Lot 4019 Mukim Sungai Gumut Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	46,368	Homesteads for investment	N/A	278,208	2002
10.	Lot No. 2, Sector 1 Lembah Beringin Mukim Kuala Kelumpang Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	7,185	Bungalow lot for investment	N/A	179,625	2002

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 39th Annual General Meeting of the Company will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Tuesday, 29 September 2015 at 10.00 a.m. for the following purposes:

AGENDA

Ordinary Business

1. To receive the audited financial statements of the Company and of the Group for the financial year ended 31 March 2015 and the reports of the Directors and Auditors thereon.

2. To approve the payment of a first and final single-tier dividend of 3% (3 sen net per ordinary share) for the financial year ended 31 March 2015. **Ordinary Resolution 1**

3. To approve the payment of Directors' fees of RM340,000.00 for the financial year ended 31 March 2015 (2014: RM340,000.00). **Ordinary Resolution 2**

4. To re-appoint the following Directors who retire pursuant to Section 129 of the Companies Act, 1965 as Directors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company:

   a. Datuk Lai Siew Wah *P.G.D.K.* **Ordinary Resolution 3**

   b. Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM* **Ordinary Resolution 4**

5. To re-appoint Haji Mohd. Sharif bin Haji Yusof who retires pursuant to Section 129 of the Companies Act, 1965 as a Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company and he shall continue to serve as an Independent Non-executive Director of the Company notwithstanding that he has exceeded a cumulative term of nine (9) years as a Director of the Company, as recommended by the Malaysian Code on Corporate Governance 2012. **Ordinary Resolution 5**

6. To re-elect the following Directors who retire in accordance with Article 91(3) of the Company's Articles of Association:

   a. Chan Soo Har @ Chan Kay Chong **Ordinary Resolution 6**

   b. Lai Man Moi **Ordinary Resolution 7**

   c. Lai Voon Hon **Ordinary Resolution 8**

7. To re-elect the following Directors who retire in accordance with Article 98 of the Company's Articles of Association:

   a. Tan Thiam Chai **Ordinary Resolution 9**

   b. Hoe Kah Soon **Ordinary Resolution 10**

   c. Dato' Azmi bin Abdullah **Ordinary Resolution 11**

8. To re-appoint Messrs. Raja Salleh, Lim & Co. as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Directors. **Ordinary Resolution 12**

NOTICE OF ANNUAL GENERAL MEETING cont'd

Special Business

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

9. **Proposed Renewal of Authority to Issue and Allot Shares pursuant to Section 132D of the Companies Act, 1965** **Ordinary Resolution 13**

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

10. **Proposed Renewal of General Mandate for Recurrent Related Party Transactions** **Ordinary Resolution 14**

"**THAT** approval be and is hereby given to the Directors to enter into and give effect to specified recurrent transactions of a revenue or trading nature with specified classes of Related Parties (as set out in Section 2.2.2 of the Circular to Shareholders dated 28 August 2015) which are necessary for the Group's day-to-day operations in the ordinary course of business on terms not more favourable to the Related Parties than those generally available to the public and not detrimental to minority shareholders of the Company ("Proposed General Mandate") and such approval shall continue to be in force until:

(a) the conclusion of the next annual general meeting 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 meeting, the authority is renewed;

(b) the expiration of the period within which the next annual general meeting is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or

(c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier, and that for the avoidance of doubt, all such transactions entered into by the Company prior to the date of this resolution be and are hereby approved and ratified.

AND THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed General Mandate."

11. **Proposed Renewal of Share Buy-back Authority** **Ordinary Resolution 15**

"**THAT**, subject to the Companies Act, 1965, Bursa Malaysia Securities Berhad's Main Market Listing Requirements, the Company's Articles of Association and approvals of other relevant authorities, the Company be and is hereby authorised to purchase and hold such number of ordinary shares of RM1.00 each in the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution does not exceed 10% of the issued and paid-up share capital of the Company and the amount allocated shall not exceed the retained profits and share premium account of the Company.

THAT such authority shall commence immediately upon passing of this ordinary resolution until the conclusion of the next Annual General Meeting of the Company unless earlier revoked or varied by ordinary resolution of shareholders of the Company in a general meeting or upon the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever occurs earlier.

THAT the Directors be and are hereby authorised to take all steps necessary to implement, finalise and to give full effect to the Proposed Share Buy-Back **AND THAT** further authority be and is hereby given to the Directors to decide in their discretion to retain the shares purchased as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder and to deal with the shares so purchased in such other manner as may be permitted by the relevant legislations and regulations."

12. To transact any other business for which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this 39th Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 64 of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 22 September 2015. Only a depositor whose name appears on the Record of Depositors as at 22 September 2015 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

By Order of the Board

WONG YIM CHENG
Company Secretary
Kuala Lumpur

28 August 2015

Notes on proxy

1. A member entitled to attend and vote is entitled to appoint proxy to attend, speak and vote in his stead. A proxy need not be a member of the Company. A member may appoint any person to be his proxy without limitation and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply. When a member appoints two (2) proxies to attend the Meeting, the member shall specify the proportion of his shareholdings to be represented by each 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. If more than one (1) proxy is appointed, the EAN shall specify the proportion of shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorized. Where the instrument appointing a proxy with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited together with the Proxy Form.
4. The Proxy Form duly completed, must be deposited at the Company's Registered Office at Level 18, Wisma Mont' Kiara, No. 1, Jalan Kiara, Mont' Kiara, 50480 Kuala Lumpur not less than 48 hours before the time set for holding the Meeting or at any adjournment thereof.

Notes on agenda

1. **Audited Financial Statements for the 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 provision of Section 169(1) and (3) of the Companies Act, 1965. Hence, it will not be put for voting.

2. **Retention of Independent Non-executive Director**

   The Ordinary Resolution 5, if passed, will enable Haji Mohd. Sharif bin Haji Yusof, who has attained the age of 70 years, to continue to serve as Independent Non-executive Director notwithstanding that he had served the Board as Independent Non-executive Director for a term of more than nine years. The Board strongly believes that a director's independence cannot be determined arbitrarily with reference only to the tenure of service. The Board is of the view that the Director's length of service does not interfere with his exercise of independent judgment and ability to act in the best interests of the shareholders. In addition, the Board is of the view that his detailed knowledge of the Group's businesses and his proven commitment, experience and competence will benefit the Company.

3. **Proposed Renewal of Authority to Issue and Allot Shares pursuant to Section 132D of the Companies Act, 1965**

   The Ordinary Resolution 13, if passed, will empower the Directors to issue and allot shares not exceeding 10% of the Company's issued share capital for the time being without convening further general meetings for such purposes.

   This authority is a renewal of the general mandate which will expire at the forthcoming 39th Annual General Meeting. As at the date of this Notice, the Company has not issued any shares pursuant to the mandate granted at the last Annual General Meeting.

   This new general mandate will provide flexibility to the Company for any possible fund raising activities including but not limited to placing of shares, for the purposes of funding future investment project(s), working capital, acquisitions or such other applications as the Directors deem fit.

   This would avoid any delay and cost involved in convening a general meeting to approve such issue of shares. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

4. **Proposed Renewal of General Mandate for Recurrent Related Party Transactions**

   The Ordinary Resolution 14, if passed, will enable the Group to enter into recurrent transactions of a revenue or trading nature with related parties which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. Further information on this resolution is set out in Part I of the Circular to Shareholders dated 28 August 2015.

5. **Proposed Renewal of Share Buy-back Authority**

   The Ordinary Resolution 15, if passed, will empower the Directors to purchase the Company's shares up to 10% of the issued and paid-up share capital of the Company by utilising the funds allocated which shall not exceed the total retained profits and share premium account of the Company. Further information on this resolution is set out in Part II of the Circular to Shareholders dated 28 August 2015.

IREKA CORPORATION BERHAD

(Company No: 25882-A)
(Incorporated in Malaysia)

PROXY FORM

No. of Shares Held : ________________________
CDS Account No. : ________________________

*I/We ____ *NRIC No./Company No. ________________________
of ____
being a member of Ireka Corporation Berhad, hereby appoint ____
____
NRIC No. ______________________________ of ____
____

or failing him/her, the Chairman of the Meeting, as *my/our proxy, to vote for *me/us and on *my/our behalf at the 39th Annual General Meeting of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Tuesday, 29 September 2015 at 10.00 a.m. and at any adjournment thereof. *My/our proxy is to vote as indicated below:

Resolution	Agenda	For	Against
Ordinary Resolution 1	To approve the payment of a first and final single-tier dividend of 3% (3 sen net per ordinary share)		
Ordinary Resolution 2	To approve the payment of Directors' fees of RM340,000.00		
Ordinary Resolution 3	To re-appoint Datuk Lai Siew Wah as a Director of the Company		
Ordinary Resolution 4	To re-appoint Datuk Lai Jaat Kong @ Lai Foot Kong as a Director of the Company		
Ordinary Resolution 5	To re-appoint Haji Mohd. Sharif bin Haji Yusof as a Director of the Company		
Ordinary Resolution 6	To re-elect Chan Soo Har @ Chan Kay Chong as a Director of the Company		
Ordinary Resolution 7	To re-elect Lai Man Moi as a Director of the Company		
Ordinary Resolution 8	To re-elect Lai Voon Hon as a Director of the Company		
Ordinary Resolution 9	To re-elect Tan Thiam Chai as a Director of the Company		
Ordinary Resolution 10	To re-elect Hoe Kah Soon as a Director of the Company		
Ordinary Resolution 11	To re-elect Dato' Azmi bin Abdullah as a Director of the Company		
Ordinary Resolution 12	To re-appoint Messrs. Raja Salleh, Lim & Co. as Auditors of the Company		
Ordinary Resolution 13	To propose the renewal of authority to issue and allot shares pursuant to Section 132D of the Companies Act, 1965		
Ordinary Resolution 14	To propose the renewal of general mandate for Recurrent Related Party Transactions		
Ordinary Resolution 15	To propose the renewal of share buy-back authority		

Please indicate with an 'X' in the appropriate spaces how you wish to cast your vote. If you do not indicate how you wish your proxy to vote on any resolutions, the proxy will vote as he thinks fit or, at his discretion, abstain from voting.

* Delete if inapplicable

____
Signature/Seal

Dated this _________ day of ________________________ 2015

NOTES:

1. A member entitled to attend and vote is entitled to appoint proxy to attend, speak and vote in his stead. A proxy need not be a member of the Company. A member may appoint any person to be his proxy without limitation and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply. When a member appoints two (2) proxies to attend the Meeting, the member shall specify the proportion of his shareholdings to be represented by each proxy.
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4. The Proxy Form duly completed, must be deposited at the Company's Registered Office at Level 18, Wisma Mont' Kiara, No. 1, Jalan Kiara, Mont' Kiara, 50480 Kuala Lumpur not less than 48 hours before the time set for holding the Meeting or at any adjournment thereof.

PLEASE FOLD HERE

STAMP

IREKA CORPORATION BERHAD CO. NO. 25882-A
LEVEL 18, WISMA MONT' KIARA
NO. 1, JALAN KIARA
MONT' KIARA
50480 KUALA LUMPUR

ATTN: THE COMPANY SECRETARY

PLEASE FOLD HERE

IREKA CORPORATION BERHAD 25882-A
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