



# ANNUAL REPORT 2015

AHB Holdings Berhad 274909A

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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Yong Yoke Keong  
Managing Director and Chief Executive Officer

Dr Folk Jee Yoong  
Independent Non-Executive Director

Hee Teck Ming  
Independent Non-Executive Director

Chan Chow Hun  
Independent Non-Executive Director

### **COMPANY SECRETARIES**

Tan Tong Lang (MAICSA 7045482)  
Chong Voon Wah (MAICSA 7055003)

### **REGISTERED OFFICE**

Suite 10.03, Level 10, The Gardens South Tower,  
Mid Valley City, Lingkaran Syed Putra,  
59200 Kuala Lumpur  
Telephone : 03-2279 3080  
Facsimile : 03-2279 3090

### **CORPORATE ADDRESS**

17 Jalan Industri PBP 11  
Pusat Bandar Puchong  
47100 Puchong  
Selangor, Malaysia  
Tel : +603 5882 2882  
Fax : +603 5882 2222  
Web : [www.ahb.com.my](http://www.ahb.com.my)  
Email : [mailbox@ahb.com.my](mailto:mailbox@ahb.com.my)

### **BOARD COMMITTEES**

#### **AUDIT COMMITTEE**

Dr Folk Jee Yoong (Chairman)  
Hee Teck Ming  
Chan Chow Hun

#### **REMUNERATION COMMITTEE**

Dr Folk Jee Yoong (Chairman)  
Hee Teck Ming  
Chan Chow Hun

#### **NOMINATION COMMITTEE**

Dr Folk Jee Yoong (Chairman)  
Hee Teck Ming  
Chan Chow Hun

### **AUDITORS**

UHY (AF1411)  
Chartered Accountants  
Suite 11.05, Level 11, The Gardens South Tower,  
Mid Valley City, Lingkaran Syed Putra,  
59200 Kuala Lumpur  
Telephone : 03-2279 3088  
Facsimile : 03-2279 3099

### **SHARE REGISTRAR**

Boardroom Corporate Services (KL) Sdn Bhd  
Lot 6.05, Level 6, KPMG Tower  
8 First Avenue, Bandar Utama  
47800 Petaling Jaya, Selangor, Malaysia  
Tel : +603 7720 1188  
Fax : +603 7720 1111

### **PRINCIPAL BANKERS**

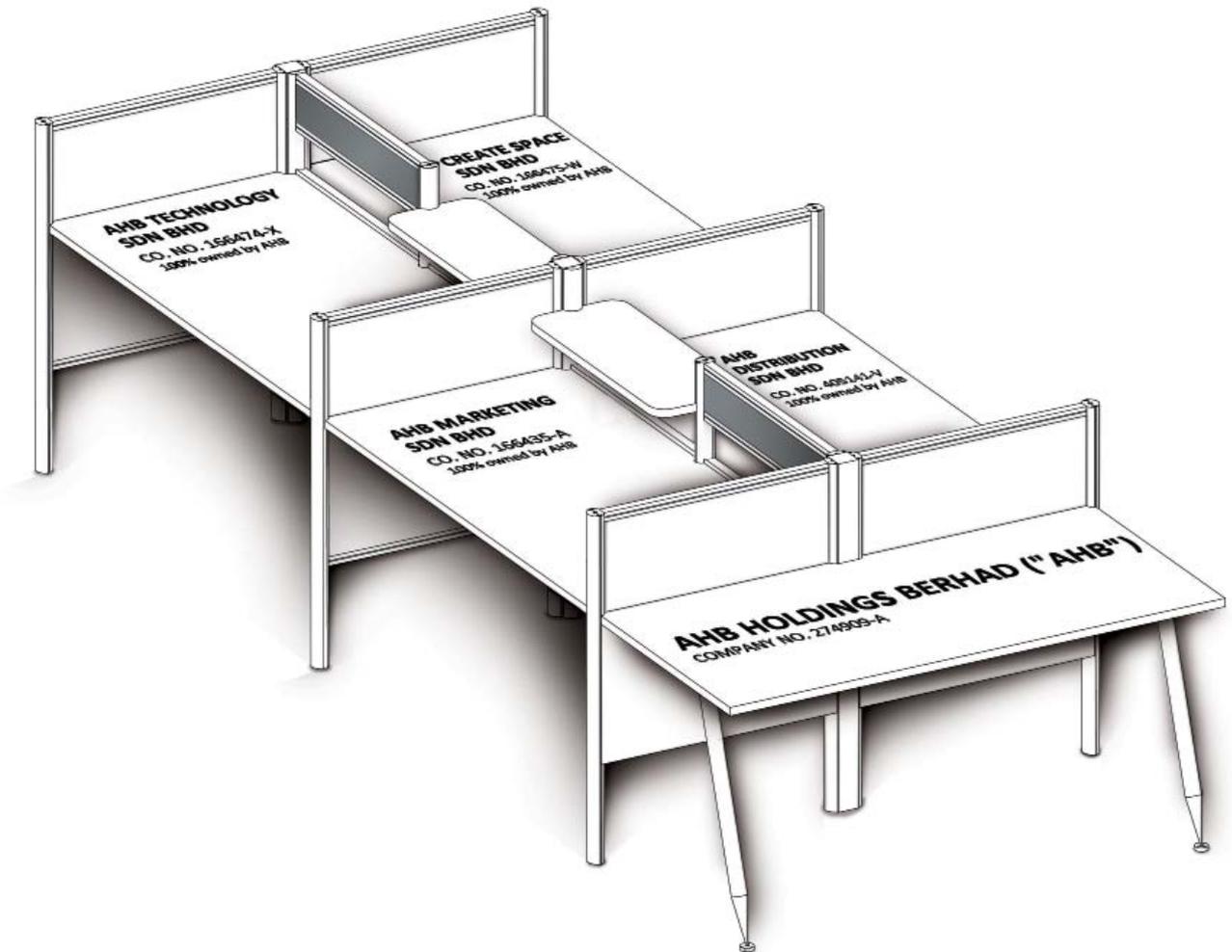
HSBC Bank Malaysia Berhad

### **STOCK EXCHANGE LISTING**

Main Market of Bursa Malaysia Securities Berhad  
Stock Name : AHB  
Stock Code : 7315



# GROUP CORPORATE STRUCTURE



## MANAGING DIRECTOR'S STATEMENT

On behalf of our Board of Directors, I am pleased to present to you the 2015 Annual Report and Financial Statements of AHB Holdings Berhad and its subsidiaries ("AHB or Group") for the financial period of 9 months ended 31 March 2015 ("FY2105"). I am pleased to report that AHB is currently in good financial position, with no bank borrowings, and with good strength for profit and revenue growth.

The business environment had continually changed the economic comparative advantages and the competitive inputs to the office furniture products industry in Malaysia; and AHB had kept up to such changes with its innovativeness and creativity. Taking advantage of the global village concept and the available IT, AHB adopts a business model that focuses on high value activities such as new product testing and prototyping, quality assurance, cost control, customer satisfaction, and superior order fulfilment.

The current weak Malaysia Ringgit foreign exchange rate is an advantage for our Group to improve our revenue growth. Malaysia is a competitive producer of furniture, with markets worldwide. The potential of our furniture industry is evidenced by the global production volume of approximately USD400 billion per year.

Our financial statement for the year ended 30 June 2014 had certain audit issues because of opinion on whether a subsidiary set of accounts may be consolidated. We have changed our financial period end to bring it earlier by 3 months so that we may receive an audited set of financial statement sooner. This strategy is meant to set a clear path for AHB's management and work team to focus on strengthening the Group's revenue and profit growth.

During the FY2015, we have managed to gradually improve financial performance to a profit after tax of RM964,657/- from the previous comparative figure (unaudited 9 months ended 31 March 2014) of RM604,910/-, and to a revenue of RM11,528,701 from RM11,152,132 for the similar period in the last financial period respectively. During FY2015, the Group has managed to repay all bank debts and pertinent liabilities.

The Group had successfully re-capitalized. For this, we sincerely thank our shareholders and investors for their continuous support. Going forward, we are increasing our marketing efforts in Malaysia and around the world. We are also planning to increase R&D investments into products and systems to enable our Group to grow at a faster rate.

As always, our Group has upheld our customers as our key focus, and we believe that customer satisfaction and partnerships are vital for long-term growth. Our usual dedication to the exacting standards of our products and our commitment to a professional service set our customers' experience apart from our rivals. Our Group's commitment to continually explore new ideas and to improve our product offerings is the advantage to our corporate strategy. The global economy continues to face uncertainties because of many factors, including major economies such as China and Japan devaluing their currencies for competitiveness. Because of the relatively small share of our Group's revenue base in the global market, any and all these uncertainties are not expected to have any downward effect on our profit growth, barring any unforeseen circumstances.

As before, we continue to focus on environmental responsibility and awareness in our operations. We ensure a safe and healthy workplace for our employees and endeavor to minimize potential adverse impacts on the environment. We operate in compliance with the relevant environmental legislations and strive to implement environmental best practices in our daily activities.

## MANAGING DIRECTOR'S STATEMENT (cont'd)

We in AHB believe that we must do business with integrity wherever we are. As such, we will continue our efforts to inculcate a culture of good corporate governance within AHB. For the benefit of Islamic investors, we are pleased to note that we are Syariah compliant.

I take this opportunity to thank all our shareholders, advisors, business associates, customers and relevant government authorities. We sincerely treasure your invaluable support and confidence over the years.

Last but not least, I put on record my unreserved gratitude and appreciation to my fellow board directors for their wise counsel and consultation, and the management and staff of the Group, for their continuing hard work, commitment and dedication to our corporate, social, and earthly environment; and for their exclusive commitment to excellence to our customers.

Yong Yoke Keong  
Managing Director



## DIRECTORS' PROFILE



**Yong Yoke Keong**, Malaysian, aged 55, was appointed as Director of AHB on 3 May 1994 and is currently the Managing Director and Chief Executive Officer of the Group.

He graduated with a Bachelor of Mechanical Engineering Degree in 1982 and post-graduated with a Masters in Business Administration with multiple concentrations in Finance, Management Information Systems and International Business in 1985 from McGill University, Canada.

Yong Yoke Keong has guided the Group since 1988 when it was a small operation to be a public listed company on the Kuala Lumpur Stock Exchange Second Board in 1996.

He previously was a council member of the Federation of Malaysian Manufacturers and he was also the founding Joint Chairman of Institut Perakabentuk Dalaman Malaysia Industry Partners (Institute of Interior Design Malaysia - Industry Partners).

Yong Yoke Keong is a substantial shareholder of AHB, with direct holding of 21,671,511 ordinary shares and 9,803,782 warrants.

He does not have any family relationship with other Directors and/or major shareholders of the Company nor does he has any conflict of interest with the Company. He has not been convicted for any offences, other than traffic offences (if any), within the past 10 years.

Yong Yoke Keong attended three (3) out of three (3) Board of Directors' Meetings of the Company held during the financial period ended 31 March 2015.



**Dr Folk Jee Yoong**, Malaysian, aged 54, was appointed as Director of AHB on 28 May 2013 and is currently the Independent Non-Executive Director of the Company. He is the Chairman of the Audit Committee, Nomination Committee and Remuneration Committee of AHB.

He holds a Bachelor of Business degree in Accounting and Secretarial Administration from the Curtin University of Technology in Perth, Western Australia and a Bachelor of Economics degree from the University of Western Australia. In addition, he holds a Master of Commerce degree in Accounting from the University of Auckland, New Zealand. He obtained a Doctor of Business Administration from the University of South Australia and a Doctor of Philosophy from the University of Malaya. He is a Fellow of the Australian Society of Certified Practising Accountants and the Malaysian Institute of Accountants. He also holds a Certificate in Investor Relations from the IR Society, United Kingdom.

Dr Folk has over 20 years of experience in academic, corporate finance, restructuring, audit and financial management in diversified industries such as mortgage banking, property development, construction, seafood trawling and processing, pulp and paper, jewellery, office furniture, multi-level marketing, plastic injection moulding, timber plantation and processing, hospitality and thermo vacuum forming. Between 1984 and 1990, amongst other public accounting firms, he was attached to Deloitte, Haskins & Sells, New Zealand and McLaren & Stewart, Perth, Australia. He has also worked with multi-national firms such as Sinar Mas Group, Raja Garuda Mas Group and Fletcher Challenge Group in various countries such as New Zealand, India and Indonesia.

Dr Folk is also a Director of Lion Corporation Berhad, INIX Technologies Holdings Berhad and Cybertowers Berhad, which are public listed companies.

## DIRECTORS' PROFILE (cont'd)

Dr Folk does not have any family relationship with other Directors and/or major shareholders of the Company nor does he has any conflict of interest with the Company. He has not been convicted for any offences, other than traffic offences (if any), within the past 10 years.

Dr Folk attended three (3) out of three (3) Board of Directors' Meeting of the Company held during the financial period ended 31 March 2015.



**Hee Teck Ming**, Malaysian, aged 56, was appointed as Director of AHB on 28 May 2013 and is currently the Independent Non-Executive Director of the Company. He is a member of the Audit Committee, Nomination Committee and Remuneration Committee of AHB.

He has a Higher National Diploma in Mechanical Engineering from HumberSide College of Higher Education, United Kingdom. After his graduation in 1982, he worked for several years in aluminium fabrication in the United Kingdom.

On his return to Malaysia in 1988, he worked with United Technologies Carrier from 1988 to 2000 where his last held position of General Manager, Services. From 2000 to 2006, he was the Chief Operating Officer of Paracorp Technology Sdn Bhd.

He joined Urusharta Cemerlang Sdn Bhd from 2007 to 2012 as the Director of Operations and was appointed as the Asset Manager to Pavilion REIT Sdn Bhd from 2011 to 2012. He is currently the Building Director of Pan Asia Property Management Sdn Bhd since joining the company in 2012.

He served on the Board of Directors of Artwright Holdings Bhd as an Independent Non-Executive Director from 1996 to 2007.

He does not have any family relationship with other Directors and/or major shareholders of the Company nor does he has any conflict of interest with the Company. He has not been convicted for any offences, other than traffic offences (if any), within the past 10 years.

Hee Teck Ming attended three (3) out of three (3) Board of Directors' Meeting of the Company held during the financial period ended 31 March 2015.

**Chan Chow Hun**, Malaysian, aged 55, was appointed as Director of AHB on 28 May 2013 and is currently the Independent Non-Executive Director of the Company. He is a member of the Audit Committee, Nomination Committee and Remuneration Committee of AHB.

He is a CFA Charterholder, holds a BA (Hons) and an MBA and has a post graduate diploma from the National Institute of Public Administration. He has worked in the public sector in the Administrative and Diplomatic service and subsequently with international firms and Malaysian listed companies in the areas of consulting and corporate finance. He was the CEO of the Financial Planning Association of Malaysia, a not for profit, standards setting industry body.

He does not have any family relationship with other Directors and/or major shareholders of the Company nor does he has any conflict of interest with the Company. He has not been convicted for any offences, other than traffic offences (if any), within the past 10 years.

Chan Chow Hun attended two (2) out of three (3) Board of Directors' Meeting of the Company held during the financial period ended 31 March 2015.

## CORPORATE SUSTAINABILITY STATEMENT

### Environmental Responsibilities

The AHB environment is a careful blend of materials, resources, technology and fine design. We apply our expertise in design and manufacturing process to create and deliver innovative products with minimal adverse environmental impact. In our production, we carefully select materials that are safe, healthy and ecologically sound throughout their life cycle. Over 80% of materials used are recyclable.

Wood used in the AHB environment is an ecologically sensitive choice. The hevea brasiliensis, commonly known as the rubber trees, are rapidly renewable, and are harvested from expired matured rubber latex plantations. Therefore, we have provided extra use for the trees, and eliminated the usage of natural forest timber.

Our commitment to environmental protection includes our efforts to achieve ISO14001 Environmental Management System standards. With the ISO14001, every environmental aspect in the organization is taken into consideration.

### Appealing Design

The AHB office environment is clearly defined by the sleek lines and superior design. Curves blend to form functional units to create optimum offices.

### Superior Standards

Research on ergonomics is reflected in our integrated office environment with efficient space usage. All AHB products are manufactured according to international standards.

### Value Investments

Your investment is fully protected by a guarantee against any manufacturing defect for 10 years. The system is also modular and consistently adaptable. Engineered for durability, AHB's timeless design assures you of a high value investment.



## CORPORATE SOCIAL RESPONSIBILITY STATEMENT

The Company recognises its corporate social responsibility commitments to its various stakeholders, which include investors, clients, suppliers, members of the local communities as well as its employees in which it operates. The Board of Directors of the Company and the Group will ensure that all pertinent matters relating to Corporate Social Responsibility are considered and supported in the Group's operations and administrative processes and are consistent with the Group's stakeholders' best interest.

## CORPORATE GOVERNANCE STATEMENT

The Board of Directors (“the Board”) of AHB Holdings Berhad (“the Company” or “AHB”) is committed towards achieving excellence in corporate governance and acknowledges that the prime responsibility lies with the Board. The Board is fully committed to ensure that the highest standards of corporate governance are practiced throughout the Group as a fundamental part of discharging its responsibilities to create, protect and enhance shareholders’ value and the performance of the Group.

The Malaysian Code on Corporate Governance (“the Code”) aims to set out principles and best practices on structures and processes that companies may apply in their operations towards achieving the optimal governance framework. The Board reaffirms its support to the Code and in order to ensure that the best interests of shareholders and other stakeholders are effectively served, the Board continues to play an active role in improving governance practiced and constantly monitors the development in corporate governance.

This corporate governance statement (“Statement”) sets out how the Company has applied the eight (8) Principles of the MCCG 2012 and observed the Recommendations supporting the Principles during the financial period. Where a specific Recommendation of the MCCG 2012 has not been observed during the financial period under review, the non-observation, including the reasons thereof and, where appropriate, the alternative practice, if any, is mentioned in this Statement.

### PRINCIPLE 1 – ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

#### **Clear functions of the Board and those delegated to Management**

The Board provides overall stewardship over the management of the Group and reserves appropriate strategic, financial and organisational matters for its collective decision. Key matters such as approval of annual and quarterly results, acquisition and disposals of material investments, material agreements, major capital expenditures, budgets and long term plans and succession planning for top management are reserved for the Board.

The Board comprises professional persons of calibre, creditability and has the necessary skills and experience to come to an independent judgement. With their combined experience and knowledge, they provide sound advice and impartial judgement for the benefits of the Company, its shareholders and stakeholders.

As at the end of the financial period under review, the Board Charter had not been made publicly available as the same is still in the stage of being prepared. The Board will take steps to upload the Board Charter once the same is available after the adoption by the Board.

#### **Clear Roles and Responsibilities in Discharging Fiduciary and Leadership Functions**

The Board provides stewardship to the Group’s strategic direction and operations, and ultimately the enhancement of long-term shareholders’ value. The Board is primarily responsible for:

- Adopting and monitoring progress of the Company’s strategies, budgets, plans and policies;
- Overseeing the conduct of the Company’s business to evaluate whether the business is being properly managed;
- Succession planning including appointing and reviewing the compensation of the top management;
- Overseeing the development and implementation of a shareholder communication policy;
- Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;
- Reviewing the adequacy and integrity of the Company’s internal control systems and management information systems for compliance with applicable laws, regulations, rules, directive and guidelines.

## CORPORATE GOVERNANCE STATEMENT (cont'd)

To assist in the discharge of its stewardship role, the Board has established Board Committees, namely the Audit Committee, Nomination Committee and Remuneration Committee to examine specific issues within their respective terms of reference as approved by the Board and report to the Board with their recommendations. The ultimate responsibility for decision making, however, lies with the Board.

The Managing Director would lead the discussion at the Board meeting on the strategic plan of the Company. The Board participates actively on the discussion and continues to monitor the implementation of the plan through its quarterly meetings.

### Code of Ethics

The Company is in the midst of preparing its Code of Conduct. The Board will undertake to develop the Code of Conduct and upload the same in the Company's website in due course.

### Strategies Promoting Sustainability

The Board would ensure that the Company's strategy promotes sustainability. The Board would continue to monitor the Company's strategy on an annual basis. The details of the sustainability efforts are set out in the Corporate Sustainability Statement in this Annual Report.

### Access to Information and Advice

The Board would formulate the Company's Board Charter to include a procedure to access to information and independent advice by the Board and Committees. The Management is tasked to supply the Board and Committees with timely and sufficient information to enable the Board to effectively discharge its duties. The Directors are provided with meeting papers to give them the necessary information on matters. The Directors can always request for any additional information as they consider necessary prior to considering a matter. The Company allows a Director to seek independent legal, financial or other advice as he considers necessary at the expense of the Company in the furtherance of his duties.

### Qualified and Competent Company Secretary

The Company Secretary plays an advisory role to the Board in relation to the Company's constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations.

The Company Secretary attends and ensures that all Board meetings are properly convened and that accurate and proper records of the proceedings and resolutions passed are taken and maintained in the statutory register of the Company.

The Company Secretary works closely with Management to ensure that there are timely and appropriate information flows within and to the Board and Board Committees.

### Board Charter

As stated, the Board is in the midst of preparing its Board Charter. A copy of the Board Charter would be uploaded to the Company's website once the same is available. The Board would review the Board Charter on an annual basis to be consistent with the relevant regulatory requirements.

## CORPORATE GOVERNANCE STATEMENT (cont'd)

### PRINCIPLE 2 – STRENGTHEN COMPOSITION

#### Nomination Committee

The Board has established a Nomination Committee and exclusively of Independent Non-Executive Directors. The present members are:-

Chairman : Dr. Folk Jee Yoong  
Member : Chan Chow Hun  
Member : Hee Teck Ming

The Nomination Committee is responsible for reviewing the Board's structure, size and composition regularly, as well as making recommendations to the Board with regards to changes that are deemed necessary. It also recommends the appointment of Directors to committees of the Board and reviews the required mix of skills, experience, competence and other qualities which Non-Executive Directors should bring to the Board. For this purpose, the Nomination Committee meets at least once a year or at such other times as the Chairman of the Nomination Committee decides.

The activities of the Nominating Committee during the financial period are as follows:

- Review the mix of skills, independence, experience and other qualities of the Board
- Review the annual assessment of the effectiveness of the Board, committees and individual directors.

The Board has identified Dr Folk as the Senior Independent Director of the Company to deal with any concern raised by the shareholders.

#### Appointments to the Board

The Nomination Committee makes independent recommendations for appointments to the Board. In making these recommendations, the Nomination Committee assesses the suitability of candidates, taking into account the character, integrity, competence, time commitment and other qualities of the candidates, before recommending their appointment to the Board for approval.

#### Re-election of Directors and re-appointment of Directors who are over the age of 70

In accordance with the Articles of Association of the Company, at least one third of the Board shall retire from office at least once in every three (3) years, but shall be eligible for re-election, and that the retiring Director shall retain office until the close of the annual general meeting at which he retires. This is also in compliance with Main Market Listing Requirements of Bursa Malaysia

Pursuant to Section 129 of the Companies Act, 1965, the office of a director of or over the age of 70 years become vacant at every AGM unless he is reappointed by a resolution passed at such an AGM of which no shorter notice than that required for the AGM has been given and the majority by which such resolution is passed is not less than three-fourths of all members present and voting at such AGM

#### Gender Diversity

The Board has not set a gender diversity targets as of the reporting period as it is of the view the Board membership should be determined based on a candidate's skills, experience and other qualities regardless of gender but will nevertheless considers appointing more directors of the female gender where suitable.

## CORPORATE GOVERNANCE STATEMENT (cont'd)

The Board believes that candidature to the Board should be based on a candidate's merits but in line with the Code, the board will consider more females onto the Board in due course to bring about a more diverse perspective.

### Remuneration Policies

The Board has established a Remuneration Committee. Its members are Non-Executive Directors. The present members of the Remuneration Committees are:-

Chairman : Dr. Folk Jee Yoong  
 Member : Chan Chow Hun  
 Member : Hee Teck Ming

The remuneration package are structured according to the skills, experience and performance of the Executive Director to ensure the Group attracts and retains the Directors needed to run the Group successfully. The remuneration package of the Non-Executive Directors depends on their contribution to the Group in terms of their knowledge and experience.

The Remuneration Committee recommends to the Board the policy framework of executive remuneration and its cost, and the remuneration package for each executive Director. It is, nevertheless, the ultimate responsibility of the entire Board to approve the remuneration of these Directors. The determination of the remuneration of the Non-Executive Directors is a matter for the Board as a whole. For this purpose, the Remuneration Committee meets at least once a year or at such other times as the Chairman of the Remuneration Committee decides.

The detail and range of the Directors' Remuneration of the Company during the financial period are as follows:-

Remuneration	Executive Directors (RM)	Non-Executive Directors (RM)	Total (RM)
Salary	312,270		312,270
Fees	18,000	36,000	54,000
Defined Contribution Plan	37,476		37,476
	367,746		403,746

The number of Directors whose total remuneration falls within the respective bands is as follows:-

Range of remuneration	Number of Executive Directors	Number of Non-Executive Directors
RM50,000 and below		3
RM350,001 to RM400,000	1	

Note: Successive bands of RM50,000 are not shown entirely as these are not represented.

## CORPORATE GOVERNANCE STATEMENT (cont'd)

### PRINCIPLE 3 – REINFORCE INDEPENDENCE

#### Annual Assessment of Independence

The Board, through the Nomination Committee, shall assess the independence of Independent Directors annually. The criteria for assessing the independence of an Independent Director include the relationship between the Independent Director and the Company and his involvement in any significant transaction with the Company.

#### Tenure of Independent Directors

The Board has adopted a nine-year policy for Independent Non-Executive Directors. An Independent Director may continue to serve on the Board subject to the director's re-designation as a Non-Independent Director. Otherwise, the Board will justify and seek shareholders' approval at the AGM in the event it retains the director as an Independent Director.

The Board currently has one Director who has served exceeding the tenure of 9 years. Mr Hee Teck Ming has in cumulative more than 9 years of service.

The Nominating Committee has assessed the independence of Mr Hee Teck Ming, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, and recommended him to continue act as an Independent Non-Executive Director of the Company based on the following justifications:

1. He fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus, he would be able to function as a check and balance, bring an element of objectivity to the Board;
2. His vast experience in the industry and background would enable him to provide the Board with a diverse set of experience, expertise and independent judgment to better manager and run the Group;
3. He has been with the Company for more than 9 years from 1996 to 2007 and from 2013 to 2015, therefore familiar with the Company's business operations; and
4. He has exercised his due care during his tenure as an Independent Non-Executive Director of the Company and carried out his professional duties in the interest of the Company and shareholders.

#### Shareholders' Approval for the Continuance Office as Independent Directors

The Board would seek shareholders' approval at the AGM if an Independent Director who has served in that capacity for more than nine years shall remain as an Independent Director.

The Nomination Committee will assess the independence of the Independent Director based on the assessment criteria developed by the Nomination Committee, and recommended to the Board for recommendation to shareholders for approval. Justification for the Board's recommendation would be provided to shareholders.

## CORPORATE GOVERNANCE STATEMENT (cont'd)

### Composition and Balance

The Board of AHB currently comprises Four (4) Board members, which includes one (1) Managing Director, and three (3) Independent Non-Executive Directors. The profile of the Directors is presented from pages 7 to 8 of the Annual Report.

The three (3) Independent Directors represent compliance with the requirement for one –third (1/3) Independent Directors in the Board, pursuant to Paragraph 15.02(1) of the Main Market Listing Requirements of Bursa Malaysia Berhad (“Bursa Malaysia”) and the adoption of best practices set out in the Code.

The members of the Board are professionals with calibre and entrepreneurs equipped with a mix of industry specific knowledge with broad business and commercial experience. This wide spectrum of skills and experience provide the strength that is needed to lead the Company to meet its objectives. The Board is of the opinion that the directors, with their different background and specializations, collectively bring with them a wide range of experience and expertise required to discharge the Board’s duties and responsibilities.

There is a clear division of responsibilities of the Managing Director, having direct responsibilities for business operations, assisted by the management staff being primarily responsible for the conduct of the Board while overseeing the implementation of the Board’s decisions and policies.

The Non-Executive Directors are responsible for providing independent objective judgment of the Board’s decisions while ensuring that strategies and business plans prepared by the management are fully discussed and examined in the long term interests of the shareholders.

## PRINCIPLE 4 – FOSTER COMMITMENT

### Time Commitment

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities. The Board met three (3) times during the year under review and all Directors attended more than 50% of the total Board meetings held during the financial period ended 31 March 2015, thus fulfilling the requirement of the Main Market Listing Requirements of Bursa Malaysia.

During these meetings, the Board reviews, amongst others, the Group’s quarterly financial results, reports and updates on the Group’s operations, minutes of meetings of Board Committees and any other strategic issues relating to the Group’s businesses.

In advance of and during each Board Meeting, members are each provided with relevant documents and information to enable them to make an informed decision. All proceedings at the Board meetings are minuted and recorded including the issues discussed and decisions arrived at.



## CORPORATE GOVERNANCE STATEMENT (cont'd)

The attendance of the Directors at the Board Meetings held during the financial period ended 31 March 2015 are as follows:-

Directors	Designation	Attendance
Yong Yoke Keong	Managing Director/Chief Executive Officer	3/3
Dr Folk Jee Yoong	Independent Non-Executive Director	3/3
Hee Teck Ming	Independent Non-Executive Director	3/3
Chan Chow Hun	Independent Non-Executive Director	2/3
Mirzan Mahathir (resigned on 12 September 2014)	Chairman/Independent Non-Executive Director	0/1

### Directors' Training

All Directors have attended the Mandatory Accreditation Programme. The Directors shall be committed to continuous education to equip themselves with the knowledge and understanding of various provisions, rules, regulations and the latest development in the industries to effectively discharge their duties and obligations.

The Directors are briefed by the Company Secretary on the letters and circulars issued by Bursa Malaysia at every Board Meeting. The Directors also will continue to undergo training and education programmes in order to keep themselves abreast on the various issues facing the changing business environment within which the company operates in order to discharge their duties and responsibilities more effectively.

Updates on the Code, Companies Act, 1965 and the Bursa Malaysia Listing Requirements were given by the Company Secretary to all Directors to facilitate knowledge enhancement in the areas of the Corporate Governance and relevant compliance areas.

All Directors have full opportunity to attend seminars, trainings, workshops and conference to update their knowledge and skills to contribute and to carry out their roles and duties in line with the directors' responsibility.

The conferences, seminars and/or training programmes that had been attended by the Director during the financial period ended 31 March 2015 are as follows: -

## CORPORATE GOVERNANCE STATEMENT (cont'd)

No	Date of Training	Subject
<b>DR FOLK JEE YOONG</b>		
1	13 Aug 2014	Enhancing Internal Audit Practice
2	13 Aug 2014	Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT)
3	13 Aug 2014	Impact of GST on Businesses
4	18 Aug 2014	Nominating Committee Programme 2: Effective Board Evaluations
5	20 Aug 2014	Overview of ESG Index and Industry Classification Benchmark
6	21 Aug 2014	ASEAN Corporate Governance Scorecard
7	18 Sep 2014	How to Achieve Business Goals Faster
8	29 Sep 2014	Conference on Sustainable Development
9	30 Sep 2014	Guides for Malaysian Listed Companies
10	30 Sep 2014	Labuan IBFC's Foundation Structures for Business Succession Planning
11	10 Oct 2014	Great Companies Deserve Great Board
12	30 Oct 2014	2015 Management Budget Seminar
13	11 Nov 2014	Integrity in Business Practice
14	19 Nov 2014	National Seminar & Workshop on Trade In Service
15	3 Dec 2014	Economic Insight Q4
16	10 Jan 2015	2015 Market Outlook
17	13 Jan 2015	GST Implementation & Transfer Pricing
18	27 Jan 2015	Impact of IFRS 15 on Different Business Sectors
19	28 Jan 2015	Transforming Finance Teams for Higher Performance
20	30 Jan 2015	GST & Market Outlook 2015

Remarks: Mr Hee Teck Ming, Mr Chan Chow Hun and Mr Yong Yoke Keong did not attend any conference, trainings and/or seminars during the financial period ended 31 March 2015 due to their busy schedule.

## **CORPORATE GOVERNANCE STATEMENT (cont'd)**

### **PRINCIPLE 5 – UPHOLD INTEGRITY IN FINANCIAL REPORTING**

#### **Compliance with Applicable Financial Reporting Standards**

In presenting the annual audited financial statements and quarterly announcements of results to shareholders, the Board take responsibility to present a balanced and meaningful assessment of the Group's position and prospect and to ensure that the financial statements are drawn up in accordance with the provision of Companies Act, 1965 and applicable accounting standards in Malaysia. The Audit Committee assists the Board in scrutinising information for disclosure to ensure accuracy, adequacy and completeness. The Responsibility Statement by the Directors pursuant to Main Market Listing Requirements of Bursa Malaysia is set out in this Annual Report.

In addition to the above, the Company also undertook an independent assessment of the internal control system and the Audit Committee has been assured that no material issue and major deficiency had been detected which posed a high risk to the overall internal control under review.

#### **Assessment of Suitability and Independence of External Auditors**

The Board has maintained an appropriate and transparent relationship with the External Auditors through the Audit Committee. The Audit Committee has been explicitly accorded the power to communicate directly with both the External Auditors and Internal Auditors. Both the External Auditors and Internal Auditors are invited to attend the Audit Committee Meetings to facilitate the exchange of view on issues requiring attention.

A full Audit Committee Report is set out in pages 24 to 27 of this Annual Report.

### **PRINCIPLE 6 – RECOGNISE AND MANAGE RISKS**

#### **Sound Framework to Manage Risk**

The Board oversees, reviews and monitors the operation, adequacy and effectiveness of the Group's system of internal controls. The Board defines the level of risk appetite, approving and overseeing the operation of the Group's Risk Management Framework, assessing its effectiveness and reviewing any major/ significant risk facing the Group.

The Audit Committee oversees the risk management framework of the Group and advises the Board on areas of high risk faced by the Group and the adequacy of compliance and control throughout the organisation.

The Audit Committee also reviews the action plan implemented and makes relevant recommendations to the Board to manage residual risks. The Company continues to maintain and review its internal control procedures to safeguard its assets and businesses.

#### **Internal Audit Function**

The Company has its in house internal audit department to assist the Audit Committee in discharging its duties and responsibilities in respect of reviewing the adequacy and effectiveness of the Group's risk management and internal control systems.

The Statement on Risk Management and Internal Control as included on pages 22 to 23 of this Annual Report provides the overview of the internal control framework adopted by the Company during the financial period ended 31 March 2015.

## CORPORATE GOVERNANCE STATEMENT (cont'd)

### PRINCIPLE 7 – ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

#### Corporate Disclosure Policies

The Board shall ensure that all communications to the public are timely, factual, accurate, complete, broadly disseminated and where necessary, filed with regulators in accordance with applicable laws. The Company aims to build long-term relationships with shareholders and potential investors through appropriate channels for the management and disclosure of information. These investors are provided with sufficient business, operations and financial information on the Group to enable them to make informed investment decision.

The Management are responsible for determining the materiality of the information and ensuring timely, complete, and accurate disclosure of material information to the investing public in accordance with securities laws and stock exchange rules and regulations, monitoring compliance with this policy and overseeing the disclosure controls and procedures.

Sufficient information would be provided to the Company Secretary for drafting of the necessary announcement. The Board is mindful that information which is expected to be material must be announced immediately, and that the confidential information should be handled properly to avoid leakage and improper use of such information.

#### Leverage on Information Technology for Effective Dissemination of Information

The Company's website incorporates an Investor Relations section which provides all relevant information on the Company and is accessible by the public. This Investor Relation section enhances the Investor Relations function by including all announcements made by the Company. The announcement of the quarterly financial results is also made via Bursa Link immediately after the Board's approval. This is important in ensuring equal and fair access to information by the investing public.

### PRINCIPLE 8 – STRENGTHEN RELATIONSHIP BETWEEN AND SHAREHOLDERS

#### Encourage Shareholder Participation at General Meetings

In an effort to encourage greater shareholders' participation at AGMs, the Board takes cognisance in serving longer than the required minimum notice period for AGMs, when possible. The Managing Director shall ensure that the Board is accessible to shareholders and an open channel of communication is cultivated.

AHB encloses the Annual Report and Notice of AGM with regard to, amongst others, details of the AGM, their entitlement to attend the AGM, the right to appoint proxy and also the qualification of proxy.

Notice of the AGM and the Annual Report are sent out more than 21 days prior to the date of the AGM and it is also advertised in a local daily newspaper. Any item of the Special Business included in the Notice of the AGM will be accompanied by a full explanation of the effects of the proposed resolution. Shareholders are given the opportunity to participate in the question and answer session on the proposed resolutions and the Group's operations. Separate resolutions are prepared for different transactions and the outcome of the resolutions voted upon will be declared by the Chairman during the AGM and will be announced to Bursa Malaysia on the same Meeting day.

## CORPORATE GOVERNANCE STATEMENT (cont'd)

### Encourage Poll Voting

At the commencement of the annual general meeting after the calling of the meeting to order, the Chairman would remind the shareholders, proxies and corporate representatives on their rights to demand for a poll in accordance with the provisions of the Articles of Association of the Company for any resolutions. The Chairman is also aware that he could demand for a poll for substantive resolution to be tabled at the shareholders' meetings.

The Company's share registrar is well equipped to facilitate the conduct a poll should the need arises.

### Effective Communication and Proactive Engagement

The Board places importance of shareholders' meetings as important events for the Board to meet the shareholders. The Chairman would allot sufficient time to encourage the shareholders, proxies and the corporate representatives to ask questions pertaining to the matters tabled at the general meetings. The senior management and External Auditors are present at the shareholders' meetings to answer any query that the shareholders, proxies and corporate representatives may ask.

## COMPLIANCE STATEMENT

The Board has deliberated, reviewed and approved this Statement on Corporate Governance. The Board considers that the Statement on Corporate Governance provides the information necessary to enables shareholders to evaluate how the Code has been applied. The Board considers and is satisfied that the Company has fulfilled its obligation under the Code, the Listing Requirements of Bursa Malaysia and all applicable laws and regulations throughout the financial period ended 31 March 2015.

This Statement is made in accordance with a resolution of the Board of Directors dated 21 August 2015.



## STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required to lay before the Company at its Annual General Meeting, the financial statements, which includes the consolidated statement of financial position and the consolidated statement of comprehensive income of the Company and its subsidiaries ("the Group") for each financial period made out in accordance with the applicable approved accounting standards and the provisions of the Act. This is also in line with Paragraph 15.26(a) of Main Market Listing Requirements of Bursa Malaysia.

The Directors are required to take reasonable steps in ensuring that the consolidated financial statements give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial period ended 31 March 2015.

The financial statements of the Company and the Group for the financial period under review are set out from pages *financial statements 1 to 69* of this Annual Report.

During the preparation of financial statements, the Directors have considered the following:-

- Appropriate accounting policies have been used and are consistently applied;
- Reasonable and prudent judgments and estimates were made; and
- All applicable approved accounting standards in Malaysia have been followed.

The Directors are required under the Companies Act, 1965 to ensure that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and to cause such records to be kept in such manner as to enable them to be conveniently and properly audited.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors of AHB Holdings Berhad have pleasure in presenting the following Risk Management and Internal Control Statement of the Group for the financial period ended 31 March 2015 which has been prepared in accordance with the "Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers".

## THE BOARD'S RESPONSIBILITY

The Board of Directors recognizes the importance of a sound internal control system and effective risk management practices to good corporate governance. The Board also affirms its overall responsibility for the Group's system of internal control and risk management.

In view of the limitations inherent in any internal control system, it is recognized that such system is designed to manage rather than eliminate risk. Evaluation and implementation of the system can only provide reasonable assurance of the Group achieving its objectives. The system will not provide absolute assurance against any material loss occurrence.

The Board is satisfied that the internal control system was generally satisfactory for the financial period under review, and there was a continual process for identifying, evaluating and managing the significant risks faced by the Group.

## RISK MANAGEMENT

During the financial period, the Internal Audit Department assisted the Audit Committee and Board of Directors on internal control assessments and checks. This provided assessments and feedback through:

- Documenting policies, procedures and process flows in the Working Guidelines and responding to queries from the Audit Committee; and
- Promoting risk awareness and the value and nature of an effective internal control system.

The Internal Audit Department assisted the Audit Committee and Board of Directors by providing assessment and feedback the areas of:

- Checking on compliance with laws, regulations, corporate policies and procedures; and
- Evaluating the effectiveness of risk management and corporate governance.

The Company Secretary also briefed the Audit Committee and Board of Directors on the updates to the relevant laws and regulations, where applicable.

## INTERNAL CONTROL SYSTEM

The key elements of the Group's Internal Control System are as follows:-

- Regular reviews and discussions are held to identify and resolve business, financial, and other management issues.
- Roles and responsibilities of delegated authority are clearly defined and set out in the Group's policies and guidelines. These policies and guidelines are reviewed regularly and updated when needed. They can be accessed by all employees to facilitate awareness and compliance.
- The Audit Committee with the assistance of the Internal Audit Department monitors remedial actions on internal control issues identified.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

### INTERNAL AUDIT FUNCTIONS

The Group has an Internal Audit Department to perform its internal audit function and reports directly to the Audit Committee to review the adequacy and integrity of the internal control system of the Group.

The internal audit function performed reviews on key processes within the Group and assessed the effectiveness of the internal control system. The Audit Committee is kept informed of the audit process, from the annual audit plan to the audit findings and reporting, and would thereafter report and make recommendation to the Board of Directors. The Management is responsible for ensuring that corrective actions are taken within the stipulated time frame on the reported weaknesses.

The Company has incurred approximately RM21,150 for the internal audit work conducted within the Group for the financial period ended 31 March 2015, including the salaries for internal audit function performed.

### REVIEW OF STATEMENT BY THE EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia, the External Auditors have reviewed this Statement of Risk Management and Internal Control for inclusion in the Group's Annual Report for the financial period ended 31 March 2015.

### CONCLUSION

The Board is satisfied that, during the period under review and up to the date of this report, the systems of risk management and internal control being instituted throughout the Group are in all material aspects, adequate and effective and have received the same assurance from the Chief Executive Officer. For the coming year, the Board will continually assess the adequacy and effectiveness of the Group's system of internal control and to strengthen it, as and when necessary.

This statement is made in accordance with the resolution of the Board of Directors dated 21 August 2015.



## REPORT OF THE AUDIT COMMITTEE

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

### MEMBERS OF AUDIT COMMITTEE

The Audit Committee ("AC" or "Committee") consists of three (3) members, whom are Independent Non-Executive Directors. The present members of the AC are: -

Director	Position
Dr. Folk Jee Yoong (Chairman)	Independent Non-Executive Director
Chan Chow Hun	Independent Non-Executive Director
Hee Teck Ming	Independent Non-Executive Director

### TERMS OF REFERENCE

#### Constitution

The Board has established a Committee of the Board to be known as the Audit Committee.

#### Membership

- The Committee shall be appointed by the Board of Directors from amongst the Directors of the Company and shall consist of not less than three (3) members, all the Committee members must be non-executive directors, with a majority of whom shall be independent directors. A quorum requires the majority of members present to be independent non-executive directors.
- At least one member of the Committee :-
  - (a) must be a member of the Malaysian Institute of Accountants; or
  - (b) if he/she is not a member of the Malaysian Institute of Accountants, he/she must have at least three (3) years' working experience and:-
    - (i) he/she must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
    - (ii) he/she must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
    - (iii) must fulfil such other requirements as prescribed or approved by the Exchange from time to time.
- No alternate director is 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.
- If a member of the Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced below three (3), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

#### Review of the Audit Committee

The Board of Directors shall review the term 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.

## REPORT OF THE AUDIT COMMITTEE (cont'd)

### Authority

- The Committee is authorised to investigate any activity within its terms of reference and to seek any information it requires from any employees and all employees are directed to co-operate with any request made by the Committee.
- The Committee is authorised to obtain outside legal or other independent professional advice and to secure the attendance of outsiders to attend the meetings where necessary.
- The Committee shall have unrestricted access to both the internal and external auditors and is able to convene meetings with the external auditors, excluding the attendance of the executive members of the Committee, whenever deemed necessary.
- The Committee shall be 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.

### Functions and Duties

The functions of the Committee shall be amongst others:-

- (1) To review the following and report the same to the Board of Directors:-
  - (a) with the external auditor, the audit plan and the nature and scope of the audit before commencement;
  - (b) with the external auditor, the evaluation of the system of internal controls;
  - (c) with the external auditor, the audit reports, management letters and management response;
  - (d) the assistance given by the Company's employees to the external auditor;
  - (e) the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;
  - (f) 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;
  - (g) the quarterly results and year end financial statements, prior to the approval by the Board of Directors, focusing on:-
    - (i) changes in or implementation of major accounting policy changes;
    - (ii) significant and unusual events; and
    - (iii) compliance with accounting standards and other legal requirements;
  - (h) any related party transactions and conflict of interest situation that may arise within the Company or Group.
  - (i) any letter of resignation from the external auditors; and
  - (j) whether there is reason (supported by grounds) to believe that the external auditor is not suitable for reappointment.
- (2) To recommend the nomination of a person or persons as external auditors.
- (3) To verify the allocation of options pursuant to a share scheme for employees at the end of each financial period and to prepare a statement verifying such allocation in the annual reports.
- (4) To report promptly to Bursa Malaysia Securities Berhad ("Bursa Securities") on any matter reported by the Committee to the Board which has not been satisfactorily resolved resulting in breach of the Bursa Securities Listing Requirements.

### Meetings

- Meetings shall be held not less than four times a year.
- The Internal Auditor, other Board members and employees may also attend the Audit Committee meeting upon the invitation of the Committee.
- The Company Secretary or his nominee shall be the Secretary of the Committee.

## **REPORT OF THE AUDIT COMMITTEE (cont'd)**

### **Reporting Procedures**

The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.

### **Meetings**

There were three (3) meetings held during the financial period. During those meetings, the Audit Committee held two (2) private sessions with the External Auditors without the presence of the Executive Directors and management. The Audit Committee planned its meetings ahead and would obtain the consensus of the members before fixing the dates of the meetings to ensure the attendance of each member. The notice is served at least one week before each meeting and the meeting papers would be provided to each member. The Chairman of the Audit Committee would brief the Board at its meeting on the matters discussed during the Audit Committee's meeting held earlier. The update from the Audit Committee is a permanent agenda on the notice of the Board meeting.

### **Summary of Activities During the Financial period**

The principal activities undertaken by the Audit Committee during the financial period are summarised as follows :-

1. Reviewed the unaudited quarterly financial results prior to submission to the Board for consideration and approval for the announcement to be released.
2. Reviewed the annual audited financial statements, Directors' and Auditors' Reports and other significant accounting issues arising from the audit of the financial period ended 31 March 2015.
3. Reviewed with the External Auditors their audit plans for the financial period ended 31 March 2015 and conducted private meetings with them without the presence of the Executive Directors and management.
4. Reviewed with the Internal Auditors their audit plans, audit reports and status of pending matters.
5. Reviewed the Audit Committee Report and Statement on Risk Management and Internal Control prior to submission to the Board for approval and inclusion in the 2015 annual report.

### **Internal Audit Function**

It is the intention of the Internal Audit Department to provide the Audit Committee of the Company, with assessment of the efficiency and adequacy of the internal control systems of the Group. This is done by reviewing and reporting on any material deviations and non-compliances of policies and control procedures implemented by Management and the Board. The Internal Audit Department will also strive to recommend sound and practical improvement to Management on existing control system wherever necessary after conducting an audit of the various department and operational systems, so as to safeguard the assets of the Company.

On quarterly basis, the Internal Auditors report to the Audit Committee on their audit findings, their recommendations of the corrective actions to be taken by the Management together with the Management's responses in relation thereto. Periodically, the Internal Auditors will follow up to determine the extent of their recommendations that have been implemented by the Management.

## REPORT OF THE AUDIT COMMITTEE (cont'd)

The summary of activities of the Internal Auditors for the year under review is as follows:-

1. Prepared the annual audit plan for the approval of the Audit Committee.
2. Performed risk based audits on strategic business units of the Company and the Group.
3. Issued audit reports to the Audit Committee and Management identifying weaknesses and issues as well as highlighting recommendations for improvements.
4. Acted on suggestions made by the Audit Committee and/or senior management on concerns over operations or controls and significant issues pertinent to the Company and of the Group.
5. Reported to the Audit Committee on review of the adequacy, appropriateness and compliance with the procedures established to monitor information technology management and the processes of procurement, inventory receiving and payment.
6. Attended Audit Committee meetings to table and discuss the audit reports and followed up on matters raised.

The cost incurred for the internal audit function in respect of the financial period ended 31 March 2015 was approximately RM 21,150.00.

### Meetings held during the financial period ended 31 March 2015

The Committee met three (3) times during the financial period ended 31 March 2015 and the details of attendance are as follows:-

<b>Director</b>	<b>Total meetings attended</b>
Dr. Folk Jee Yoong (Chairman)	3/3
Chan Chow Hun	2/3
Hee Teck Ming	3/3

Other Board members, Director of Corporate Affairs, Chief Administrative Office, Finance Manager and representatives of the External Auditors and Internal Auditors were present by invitation to brief the Committee on specific issues, as and when necessary, with the Company Secretaries in attendance.

## ADDITIONAL COMPLIANCE INFORMATION

### 1. UTILISATION OF PROCEEDS FROM CORPORATE EXERCISE

There were no proceeds raised from any corporate proposal during the financial period ended 31 March 2015.

### 2. MATERIAL CONTRACTS

During the financial period ended 31 March 2015, there were no material contracts entered into by the Company and/or its subsidiaries involving directors and major shareholders' interests (not being contracts entered into in the ordinary course of business).

### 3. SHARE BUY-BACK

The Company did not enter into any share buy-backs transactions during the financial period.

### 4. OPTIONS OR CONVERTIBLE SECURITIES

The Company has not issued any options, warrants or convertible securities in respect of the financial period under review.

### 5. DEPOSITORY RECEIPT PROGRAMME

The Company did not sponsor any depository receipt programme during the financial period.

### 6. SANCTIONS AND/OR PENALTIES

During the financial period under review, there were no sanctions and/or penalties imposed on the Company and/or its subsidiary companies, Directors or Management by relevant regulatory bodies arising from any significant breach of rules/guidelines/legislation during the financial period ended 31 March 2015.

### 7. NON-AUDIT FEE

There was no non-audit fee paid during the financial period ended 31 March 2015.

### 8. VARIATION IN RESULTS

There was no material variations between the results for the financial period and the unaudited results previously announced.

### 9. PROFIT GUARANTEE

The Company did not provide any profit guarantee during the financial period.

### 10. RECURRENT RELATED PARTY TRANSACTIONS

The Group did not have any recurrent related party transactions during the financial period.

# NOTES

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## **AHB HOLDINGS BERHAD**

(Company No 274909A)  
(Incorporated in Malaysia)

### **AND ITS SUBSIDIARIES**

**REPORTS AND FINANCIAL STATEMENTS  
FOR THE Financial period ENDED 30 JUNE 2015**  
(In Ringgit Malaysia)

**AHB HOLDINGS BERHAD**  
**(Company No.: 274909-A)**  
**(Incorporated in Malaysia)**

**REPORTS AND FINANCIAL STATEMENTS**

**31 MARCH 2015**

**Registered office:**  
**Suite 10.03, Level 10**  
**The Gardens South Tower**  
**Mid Valley City**  
**Lingkaran Syed Putra**  
**59200 Kuala Lumpur**

**Principal place of business:**  
**No. 17, Jalan Industri PBP 11**  
**Pusat Bandar Puchong**  
**41700 Puchong**  
**Selangor Darul Ehsan**

**AHB HOLDINGS BERHAD**

(Incorporated in Malaysia)

**REPORTS AND FINANCIAL STATEMENTS**

**31 MARCH 2015**

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**AHB HOLDINGS BERHAD**

(Incorporated in Malaysia)

**DIRECTORS' REPORT**

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

**Principal Activities**

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

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

**Change in Financial Year End**

The financial year end of the Company was changed from 30 June to 31 March. Accordingly, the current financial statements are prepared for nine months from 1 July 2014 to 31 March 2015. As a result the comparative figures stated in the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows and the related notes are not comparable.

**Financial Results**

	<b>Group RM</b>	<b>Company RM</b>
Profit/(Loss) for the financial period/year, attributable to Owners of the Parent	964,657	(21,373)

**Dividend**

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year. The Directors do not recommend any dividend in respect of the current financial period.

### **Reserves and Provisions**

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

### **Issue of Shares, Warrants and Debentures**

During the financial period, the Company increased its issued and fully paid up ordinary share capital from RM10,669,080 to RM32,007,239 by way of renounceable rights issue of 106,690,796 new ordinary shares of RM0.20 each in the Company ('Right Shares') on the basis of 2 Rights Shares for every 1 existing ordinary share of RM0.20 each in the Company together with 71,126,961 free detachable new warrants ("New Warrants") on the basis of 2 New Warrants for every 3 Rights Shares subscribed by the entitled shareholders ("Rights Issue of shares with Warrants").

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

There was no issuance of debentures during the financial period.

### **Warrants 2014 / 2019**

The Warrants 2014 / 2019 are constitute by a deed poll dated 22 July 2014 as disclosed in Note 14(c) to the financial statements.

As at 31 March 2015, the total number of warrants that remain unexercised were 71,126,961.

### **Options Granted Over Unissued Shares**

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

**Directors**

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

Yong Yoke Keong  
Chan Chow Hun  
Dr. Folk Jee Yoong  
Hee Teck Ming

**Directors' Interests**

The interests and deemed interests in the shares and warrants of the Company and of its related corporations (other than wholly-owned subsidiary companies) of those who were Directors at financial period end according to the Register of Directors' Shareholdings are as follows:

	<b>Number of ordinary shares of RM0.20 each</b>			
	<b>At 1.7.2014</b>	<b>Addition</b>	<b>Disposal</b>	<b>At 31.3.2015</b>
<b>Interests in the Company</b>				
<b>Direct interest</b>				
Yong Yoke Keong	6,965,837	14,705,674	-	21,671,511
Hee Teck Ming	1,500	-	-	1,500
	<b>Number of warrants 2014 / 2019</b>			
	<b>At 1.7.2014</b>	<b>Granted</b>	<b>Exercised</b>	<b>At 31.3.2015</b>
<b>Interests in the Company</b>				
<b>Direct interest</b>				
Yong Yoke Keong	-	9,803,782	-	9,803,782

By virtue of his interests in the shares of the Company, Yong Yoke Keong is also deemed interested in the shares of all the subsidiary companies during the financial period to the extent that the Company has an interest under Section 6A of the Companies Act, 1965.

None of the other Directors in office at the end of the financial period had any interest in shares in the Company or its related corporations during the financial period.

### **Directors' Benefits**

Since the end of the previous financial year, no Director of the Company has 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 Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial period, was the Company a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### **Other Statutory Information**

- (a) Before the statements of financial position and statements of profit or loss and other comprehensive income of the Group and of the Company were made out, the Directors took reasonable steps:
- (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and
  - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
  - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
  - (iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or
  - (iv) 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.

**Other Statutory Information (Cont'd)**

- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial period which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial period other than those arising in the normal course of business of the Group and of the Company.
- (d) In the opinion of the Directors:
- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial period which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
  - (ii) the results of operations of the Group and of the Company during the financial period were not substantially affected by any item, transaction or event of a material and unusual nature except as disclosed in the notes to the financial statements; and
  - (iii) there has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial period in which this report is made.

**Significant Events**

The significant events are disclosed in Note 30 to the financial statements.

Company No. 

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**Auditors**

The Auditors, Messrs UHY, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 31 July 2015.

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YONG YOKE KEONG

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DR. FOLK JEE YOONG

KUALA LUMPUR

**AHB HOLDINGS BERHAD**

(Incorporated in Malaysia)

**STATEMENT BY DIRECTORS**

**Pursuant to Section 169(15) of the Companies Act, 1965**

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 12 to 68 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2015 and of their financial performance and cash flows for the financial period then ended.

The supplementary information set out in Note 33 to the financial statements on page 69 have been compiled 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 and the directive of Bursa Malaysia Securities Berhad.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 31 July 2015.

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YONG YOKE KEONG

---

DR. FOLK JEE YOONG

KUALA LUMPUR

**AHB HOLDINGS BERHAD**  
(Incorporated in Malaysia)

**STATUTORY DECLARATION**  
**Pursuant to Section 169(16) of the Companies Act, 1965**

I, YONG YOKE KEONG, being the Director primarily responsible for the financial management of AHB HOLDINGS BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 12 to 69 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the )  
abovenamed at KUALA LUMPUR in the )  
Federal Territory on 31 July 2015. )

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YONG YOKE KEONG

Before me,

No.W 521  
MOHAN A.S. MANIAM

---

COMMISSIONER FOR OATHS

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
AHB HOLDINGS BERHAD**

(Company No: 274909-A)  
(Incorporated in Malaysia)

**Report on the Financial Statements**

We have audited the financial statements of AHB Holdings Berhad, which comprise the statements of financial position as at 31 March 2015 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial period then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 12 to 68.

*Directors' Responsibility for the Financial Statements*

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

*Auditors' Responsibility*

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
AHB HOLDINGS BERHAD (CONT'D)**

(Company No: 274909-A)

(Incorporated in Malaysia)

*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 financial period then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

*Emphasis of Matter*

As at 31 March 2015, the Group has trade receivables of RM3,806,735 which have been long outstanding and not impaired. Minimal payment was received from these trade receivables as at the date of this report. The Directors are of the opinion that these amounts outstanding from the trade receivables are recoverable and accordingly, no impairment losses on receivables have been made in the financial statements. However, we would like to highlight that the recoverability of such significant amount depends on the management's continuous effort in debt recovery and negotiation process with the respective debtors.

**Report on Other Legal and Regulatory Requirements**

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
AHB HOLDINGS BERHAD (CONT'D)**

(Company No: 274909-A)  
(Incorporated in Malaysia)

**Other Reporting Responsibilities**

The supplementary information set out on in Note 33 on page 69 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**

- (1) The financial statements of the Group and of the Company for the financial year ended 30 June 2014 which are presented for comparative purposes were examined and reported by another firm of auditors who have rendered on disclaimer of opinion on those financial statements in their report dated 31 October 2014.
- (2) 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.

UHY  
Firm Number: AF 1411  
Chartered Accountants

NG WEE TEIK  
Approved Number: 1817/12/16 (J)  
Chartered Accountant

KUALA LUMPUR

31 July 2015

**AHB HOLDINGS BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2015**

	Note	Group		Company	
		31.3.2015 RM	30.6.2014 RM	31.3.2015 RM	30.6.2014 RM
<b>Non-Current Assets</b>					
Property, plant and equipment	4	277,066	332,986	-	-
Goodwill on consolidation	5	1,935,486	1,935,486	-	-
Investment in subsidiaries	6	-	-	21,800,425	21,800,425
Deferred tax asset	7	2,500,000	2,500,000	-	-
		<u>4,712,552</u>	<u>4,768,472</u>	<u>21,800,425</u>	<u>21,800,425</u>
<b>Current Assets</b>					
Inventories	8	6,688,516	6,626,156	-	-
Trade receivables	9	11,769,364	11,108,511	-	-
Other receivables	10	4,099,578	3,968,075	-	157,957
Amount due from subsidiaries	11	-	-	31,960,410	31,246,748
Tax recoverable		137,340	-	-	-
Fixed deposit with a licensed bank	12	1,017,100	-	1,017,100	-
Cash and bank balances		1,460,714	961,795	299,635	10,007
		<u>25,172,612</u>	<u>22,664,537</u>	<u>33,277,145</u>	<u>31,414,712</u>
<b>Total Assets</b>		<u>29,885,164</u>	<u>27,433,009</u>	<u>55,077,570</u>	<u>53,215,137</u>

**AHB HOLDINGS BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF FINANCIAL POSITION (CONT'D)  
AS AT 31 MARCH 2015**

	Note	Group		Company	
		31.3.2015 RM	30.6.2014 RM	31.3.2015 RM	30.6.2014 RM
<b>Equity</b>					
Share capital	13	32,007,239	10,669,080	32,007,239	10,669,080
Reserves	14	(4,652,394)	(4,844,384)	22,886,260	23,680,300
<b>Total</b>		<u>27,354,845</u>	<u>5,824,696</u>	<u>54,893,499</u>	<u>34,349,380</u>
<b>Non-Current Liability</b>					
Deferred tax liability	15	<u>3,800</u>	<u>60,790</u>	<u>-</u>	<u>-</u>
<b>Current Liabilities</b>					
Trade payables	16	1,634,019	3,090,142	-	-
Other payables	17	807,007	9,547,242	129,768	6,731,383
Amount due to subsidiaries	11	-	-	-	8,953,574
Amount due to Directors	18	85,190	3,301,797	54,000	740,788
Bank borrowings	19	-	4,843,243	-	2,439,709
Tax payables		303	765,099	303	303
		<u>2,526,519</u>	<u>21,547,523</u>	<u>184,071</u>	<u>18,865,757</u>
<b>Total Liabilities</b>		<u>2,530,319</u>	<u>21,608,313</u>	<u>184,071</u>	<u>18,865,757</u>
<b>Total Equity and Liabilities</b>		<u>29,885,164</u>	<u>27,433,009</u>	<u>55,077,570</u>	<u>53,215,137</u>

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

**AHB HOLDINGS BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015**

	Note	Group		Company	
		1.7.2014 to 31.3.2015 RM	1.7.2013 to 30.6.2014 RM	1.7.2014 to 31.3.2015 RM	1.7.2013 to 30.6.2014 RM
Revenue	20	11,528,701	13,468,296	-	-
Other operating income		447,655	127,243	181,287	102,000
Purchase of trading merchandise		(6,883,605)	(15,535,943)	-	-
Changes in trading merchandise		62,360	6,831,528	-	-
Directors' remuneration	21	(403,746)	(568,257)	(54,000)	-
Staff costs	21	(1,556,334)	(1,612,884)	-	-
Depreciation of property, plant and equipment		(61,240)	(68,078)	-	-
Finance costs	22	(58,579)	(422,372)	-	(214,332)
Other operating expenses		<u>(2,158,450)</u>	<u>(1,398,108)</u>	<u>(148,660)</u>	<u>(180,565)</u>
Profit/(Loss) before tax	23	916,762	821,425	(21,373)	(292,897)
Taxation	24	<u>47,895</u>	<u>(91,864)</u>	<u>-</u>	<u>-</u>
Profit/(Loss) for the financial period/year, representing total comprehensive income for the financial period/year		<u>964,657</u>	<u>729,561</u>	<u>(21,373)</u>	<u>(292,897)</u>
Earnings per share (sen)	25				
Basic		0.72	1.46		
Diluted		<u>0.72</u>	<u>1.46</u>		

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

**AHB HOLDINGS BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015**

	Note	<-----Attributable to Owners of the Parent----->					Accumulated Losses RM	Total RM
		Share Capital RM	Share Premium RM	Capital Reserve RM	Warrant Reserve RM	Other Reserve RM		
<b>Group</b>								
At 1 July 2014		10,669,080	3,664,610	21,305,406	-	-	(29,814,400)	5,824,696
Profit for the financial period, representing total comprehensive income for the financial period		-	-	-	-	-	964,657	964,657
<b>Transactions with owners:</b>								
Issuance of shares pursuant to right issue	13	21,338,159	-	-	-	-	-	21,338,159
Right issue of warrant reserve		-	-	-	11,095,806	(11,095,806)	-	-
Shares issuance expenses		-	(772,667)	-	-	-	-	(772,667)
Total transactions with owners		<u>21,338,159</u>	<u>(772,667)</u>	<u>-</u>	<u>11,095,806</u>	<u>(11,095,806)</u>	<u>-</u>	<u>20,565,492</u>
At 31 March 2015		<u>32,007,239</u>	<u>2,891,943</u>	<u>21,305,406</u>	<u>11,095,806</u>	<u>(11,095,806)</u>	<u>(28,849,743)</u>	<u>27,354,845</u>

**AHB HOLDINGS BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY (CONT'D)  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015**

	Note	<-----Attributable to Owners of the Parent----->					Accumulated Losses RM	Total RM
		Share Capital RM	Share Premium RM	Capital Reserve RM	Warrant Reserve RM	Other Reserve RM		
<b>Group</b>								
At 1 July 2013		9,626,280	3,664,610	21,305,406	-	-	(30,543,961)	4,052,335
Profit for the financial year, representing total comprehensive income for the financial year		-	-	-	-	-	729,561	729,561
<b>Transaction with owners:</b>								
Issue of ordinary shares from the conversion of warrants	13	1,042,800	-	-	-	-	-	1,042,800
At 30 June 2014		<u>10,669,080</u>	<u>3,664,610</u>	<u>21,305,406</u>	<u>-</u>	<u>-</u>	<u>(29,814,400)</u>	<u>5,824,696</u>

**AHB HOLDINGS BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY (CONT'D)  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015**

	Note	<-----Attributable to Owners of the Parent----->					Accumulated Losses RM	Total RM
		<-----Non-distributable----->			Warrant Reserve RM	Other Reserve RM		
Company	Share Capital RM	Share Premium RM	Capital Reserve RM					
At 1 July 2014		10,669,080	3,664,610	21,305,406	-	-	(1,289,716)	34,349,380
Loss for the financial period, representing total comprehensive income for the financial period		-	-	-	-	-	(21,373)	(21,373)
<b>Transactions with owners:</b>								
Issuance of shares pursuant to right issue	13	21,338,159	-	-	-	-	-	21,338,159
Right issue of warrant reserve		-	-	-	11,095,806	(11,095,806)	-	-
Shares issuance expenses		-	(772,667)	-	-	-	-	(772,667)
Total transactions with owners		<u>21,338,159</u>	<u>(772,667)</u>	<u>-</u>	<u>11,095,806</u>	<u>(11,095,806)</u>	<u>-</u>	<u>20,565,492</u>
At 31 March 2015		<u>32,007,239</u>	<u>2,891,943</u>	<u>21,305,406</u>	<u>11,095,806</u>	<u>(11,095,806)</u>	<u>(1,311,089)</u>	<u>54,893,499</u>

**AHB HOLDINGS BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY (CONT'D)  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015**

	Note	<-----Attributable to Owners of the Parent----->					Accumulated Losses RM	Total RM
		<-----Non-distributable----->			Warrant Reserve RM	Other Reserve RM		
Company	Share Capital RM	Share Premium RM	Capital Reserve RM					
At 1 July 2013		9,626,280	3,664,610	21,305,406	-	-	(996,819)	33,599,477
Loss for the financial year, representing total comprehensive income for the financial year		-	-	-	-	-	(292,897)	(292,897)
<b>Transaction with owners:</b>								
Issue of ordinary shares from the conversion of warrants	13	1,042,800	-	-	-	-	-	1,042,800
At 30 June 2014		<u>10,669,080</u>	<u>3,664,610</u>	<u>21,305,406</u>	<u>-</u>	<u>-</u>	<u>(1,289,716)</u>	<u>34,349,380</u>

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

**AHB HOLDINGS BERHAD**

(Incorporated In Malaysia)

**STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015**

	Group		Company	
	1.7.2014 to 31.3.2015 RM	1.7.2013 to 30.6.2014 RM	1.7.2014 to 31.3.2015 RM	1.7.2013 to 30.6.2014 RM
<b>Cash Flows From Operating Activities</b>				
Profit/(Loss) before tax	916,762	821,425	(21,373)	(292,897)
<b>Adjustments for:</b>				
Depreciation of property, plant and equipment	61,240	68,078	-	-
Finance costs	58,579	422,372	-	214,332
Impairment loss on trade receivables	377,000	-	-	-
Unrealised (gain)/loss on foreign exchange	(260,232)	52,679	-	-
Bad debts recovered	-	(14,183)	-	-
Interest income	(70,837)	-	(70,837)	-
Waiver of Director's fee	-	(102,000)	-	(102,000)
Operating profit/(loss) before working capital changes	1,082,512	1,248,371	(92,210)	(180,565)
<b>Changes in working capital:</b>				
Inventories	(62,360)	388,157	-	-
Trade receivables	(777,621)	(2,692,433)	157,957	(157,957)
Other receivables	(131,503)	-	-	-
Trade payables	(1,456,123)	606,818	(6,601,615)	(85,337)
Other payables	(8,740,235)	-	-	-
Subsidiaries	-	-	(9,667,236)	(767,578)
Directors	(3,216,607)	62,728	(686,788)	154,929
	(14,384,449)	(1,634,730)	(16,797,682)	(855,943)
Cash used in operation	(13,301,937)	(386,359)	(16,889,892)	(1,036,508)
Interest received	70,837	-	70,837	-
Tax paid	(911,231)	(29,000)	-	-
Tax refund	-	3,660	-	3,660
	(840,394)	(25,340)	70,837	3,660
Net cash used in operating activities	(14,142,331)	(411,699)	(16,819,055)	(1,032,848)

**AHB HOLDINGS BERHAD**

(Incorporated In Malaysia)

**STATEMENTS OF CASH FLOWS (CONT'D)  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015**

	<b>Group</b>		<b>Company</b>	
	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>
<b>Cash Flows From Investing Activity</b>				
Purchase of property, plant and equipment	(5,320)	(9,970)	-	-
Net cash used in investing activity	<u>(5,320)</u>	<u>(9,970)</u>	<u>-</u>	<u>-</u>
<b>Cash Flows From Financing Activities</b>				
Finance costs paid	(58,579)	-	-	-
Proceeds from issuance of ordinary shares	21,338,159	1,042,800	21,338,159	1,042,800
Repayment of borrowings	(4,843,243)	(39,565)	(2,439,709)	-
Share issuance expenses	(772,667)	-	(772,667)	-
Net cash from financing activities	<u>15,663,670</u>	<u>1,003,235</u>	<u>18,125,783</u>	<u>1,042,800</u>
<b>Net increase in cash and cash equivalents</b>	1,516,019	581,566	1,306,728	9,952
<b>Cash and cash equivalents at the beginning of the financial period/year</b>	<u>961,795</u>	<u>380,229</u>	<u>10,007</u>	<u>55</u>
<b>Cash and cash equivalents at the end of the financial period/ year</b>	<u>2,477,814</u>	<u>961,795</u>	<u>1,316,735</u>	<u>10,007</u>
<b>Cash and cash equivalents at the end of the financial period/year comprise:</b>				
Cash and bank balances	1,460,714	961,795	299,635	10,007
Fixed deposit with a licensed bank	1,017,100	-	1,017,100	-
	<u>2,477,814</u>	<u>961,795</u>	<u>1,316,735</u>	<u>10,007</u>

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

**AHB HOLDINGS BERHAD**

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS**

**1. Corporate Information**

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

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 6. There have been no significant changes in the nature of these activities during the financial period.

The registered office of the Company is located at Suite 10.03, Level 10, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

The principal place of business of the Company is located at No. 17, Jalan Industri PBP 11, Pusat Bandar Puchong, 47100 Puchong, Selangor Darul Ehsan.

**2. Basis of Preparation**

**(a) Statement of compliance**

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

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

The financial year end of the Company was changed from 30 June to 31 March. Accordingly, the current financial statements are prepared for nine months from 1 July 2014 to 31 March 2015. As a result the comparative figures stated in the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows and the related notes are not comparable.

**2. Basis of Preparation (Cont'd)****(a) Statement of compliance (Cont'd)****Adoption of new and amended standards and IC Interpretation**

During the financial period, the Group and the Company have adopted the following amendments to MFRSs and IC Interpretation issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for current financial period:

Amendments to MFRS 10, MFRS 12 and MFRS 127	Investment Entities
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21	Levies
Amendments to MFRS 119	Defined Benefits Plans: Employee Contributions
Annual Improvements to MFRSs 2010 – 2012 Cycle	
Annual Improvements to MFRSs 2011 – 2013 Cycle	

Adoption of above amendments to MFRSs and IC Interpretation did not have any significant impact on the financial statements of the Group and of the Company.

**Standards issued but not yet effective**

The Group and the Company have not applied the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and for the Company:

		Effective dates for financial periods beginning on or after
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants	1 January 2016

**2. Basis of Preparation (Cont'd)****(a) Statement of compliance (Cont'd)****Standards issued but not yet effective (Cont'd)**

		Effective dates for financial periods beginning on or after
		<hr/>
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle		1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018

The Group and the Company intend to adopt the above MFRSs when they become effective.

The initial application of the abovementioned MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company except as mentioned below:

MFRS 9 *Financial Instruments* (IFRS 9 issued by IASB in July 2014)

MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces earlier versions of MFRS 9 and introduces a package of improvements which includes a classification and measurement model, a single forward looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. MFRS 9 when effective will replace MFRS 139 *Financial Instruments: Recognition and Measurement*.

## 2. Basis of Preparation (Cont'd)

### (a) Statement of compliance (Cont'd)

#### **Standards issued but not yet effective (Cont'd)**

##### MFRS 9 *Financial Instruments* (IFRS 9 issued by IASB in July 2014) (Cont'd)

MFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in MFRS 139. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. MFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under MFRS 139.

The adoption of MFRS 9 will result in a change in accounting policy. The Group is currently examining the financial impact of adopting MFRS 9.

### (b) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

### (c) Significant accounting judgements, estimates and assumptions

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

#### **Judgements**

There are no significant areas of critical judgement in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

## 2. Basis of Preparation (Cont'd)

### (c) Significant accounting judgements, estimates and assumptions (Cont'd)

#### **Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

#### Useful lives of property, plant and equipment (Note 4)

The Group regularly reviews the estimated useful lives of property, plant and equipment based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment would increase the recorded depreciation and decrease the value of property, plant and equipment.

#### Impairment of loans and receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that a receivable 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 receivable and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amounts at the end of the reporting period for loans and receivables are disclosed in Notes 9, 10 and 11 respectively.

#### Impairment of goodwill on consolidation

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash generating units to which the goodwill is allocated. Estimating the value-in-use amount requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The impairment assessment of goodwill is disclosed in Note 5.

## 2. Basis of Preparation (Cont'd)

### (c) Significant accounting judgements, estimates and assumptions (Cont'd)

#### Impairment of investment in subsidiaries

The Company has recognised impairment loss in respect of its investment in subsidiaries. The Company carried out the impairment test based on the estimation of the higher of the value-in-use or the fair value less cost to sell of the cash-generating units to which the investment in subsidiaries belong to. Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the cash-generating units and also to determine a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount at the reporting date for investment in subsidiaries is disclosed in Note 6.

#### Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group 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. Details of income tax expense are disclosed in Note 24.

#### Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Details of deferred tax assets are disclosed in Note 7.

#### Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting period.

### 3. Significant Accounting Policies

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

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combination. Under the acquisition method of accounting, subsidiaries are fully consolidated from the date on which control is transferred to the Group and de-consolidated from the date that control ceased. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed off in profit or loss as incurred.

In a business combination achieved in stages, the previously held equity interest in the acquiree is re-measured at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with MFRS 139 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated, unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, the accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

### 3. Significant Accounting Policies (Cont'd)

#### (a) Basis of consolidation (Cont'd)

##### (i) Subsidiaries (Cont'd)

In the Company's separate financial statements, investments in subsidiaries are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(h)(i) on impairment of non-financial assets.

##### (ii) Goodwill on consolidation

The excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary acquired (ie. a bargain purchase), the gain is recognised in profit or loss.

Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying value may be impaired. See accounting policy Note 3(h)(i) on impairment of non-financial assets.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. Gains or losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

##### (iii) Disposal of subsidiaries

If the Group loses control of a subsidiary company, the assets and liabilities of the subsidiary company, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value. The difference between the fair value of consideration received and the amounts derecognised and the remaining fair value of the investment is recognised as a gain or loss on disposal in profit or loss. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

### 3. Significant Accounting Policies (Cont'd)

#### (b) Foreign currency transactions and balances

Transactions in foreign currency are recorded in the functional currency of the respective Group entities using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are included in profit or loss. Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the reporting period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised in other comprehensive income.

#### (c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy of recognition and measurement of impairment losses is in accordance with Note 3(h)(i).

##### (i) Recognition and measurement

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

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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

### 3. Significant Accounting Policies (Cont'd)

#### (c) Property, plant and equipment (Cont'd)

##### (ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

##### (iii) Depreciation

Depreciation is recognised in the profit or loss on straight line basis to write off the cost of each asset to its residual value over its estimated useful life.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Renovation	10%
Plant and machinery	10%
Tools, equipment and moulds	10%
Office and computer equipment, furniture and fittings and air- conditioners	10% - 20%
Motor vehicle	20%

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

### 3. Significant Accounting Policies (Cont'd)

#### (d) Financial assets

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

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately in profit or loss.

The Group and the Company classify their financial assets depends on the purpose for which the financial assets were acquired at initial recognition, into loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those maturing later than 12 months after the end of the reporting period which are classified as non-current assets.

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

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

A financial asset is derecognised when the contractual rights to receive cash flows from the financial asset has expired or has been transferred and the Group and the Company have transferred substantially all risks and rewards of ownership. On derecognition of a financial asset, the difference between the carrying amount and the sum of consideration received and any cumulative gains or loss that had been recognised in equity is recognised in profit or loss.

#### (e) Financial liabilities

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

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

### 3. Significant Accounting Policies (Cont'd)

#### (e) Financial liabilities (Cont'd)

The Group and the Company classify their financial liabilities at initial recognition, into other financial liabilities measured at amortised cost.

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

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

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

Gains and losses on financial liabilities measured at amortised cost are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

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

#### (f) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on the weighted average basis. The cost of trading merchandise comprises the original cost of purchase plus cost of bringing the inventories to their present condition and location.

In arriving at the net realisable value, due allowance is made for all obsolete and slow moving inventories.

#### (g) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdraft and highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

### 3. Significant Accounting Policies (Cont'd)

#### (h) Impairment of assets

##### (i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories, amount due from contract customers, deferred tax assets, assets arising from employee benefits, investment property measured at fair value and non-current assets (or disposal groups) classified as held for sale) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives, or that are not yet available for use, the recoverable amount is estimated each period at the same time.

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 cash-generating units. Subject to operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of 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 of disposal. 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 or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

### 3. Significant Accounting Policies (Cont'd)

#### (h) Impairment of assets (Cont'd)

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

##### (ii) Financial assets

All financial assets, other than those categorised as fair value through profit or loss, investments in subsidiaries, associates and joint ventures, are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset.

##### 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 considers factors such as the probability of insolvency or significant financial difficulties of the receivable and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's 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 defaults on receivables.

### 3. Significant Accounting Policies (Cont'd)

#### (h) Impairment of assets (Cont'd)

##### (ii) Financial assets (Cont'd)

###### Financial assets carried at amortised cost (Cont'd)

If any such evidence exists, the amount of impairment loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of impairment loss is recognised in profit or loss. Receivables together with the associated allowance are written off when there is no realistic prospect of future recovery.

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 in profit or loss, the impairment loss is reversed, to the extent that the carrying amount of the asset does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of reversal is recognised in profit or loss.

#### (i) Share capital

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the nominal value of shares issued. Ordinary shares are classified as equity.

Dividends on ordinary shares are accounted for in equity as appropriation of retained earnings and recognised as a liability in the period in which they are declared.

#### (j) Employee benefits

##### (i) Short term employee benefits

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

### 3. Significant Accounting Policies (Cont'd)

(j) Employee benefits (Cont'd)

(i) Short term employee benefits (Cont'd)

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

(ii) Defined contribution plans

As required by law, companies in Malaysia contributions to the state pension scheme, the Employee Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group has no further payment obligations.

(k) Revenue

(i) Sale of goods

Revenue is measured at the fair value of consideration received or receivable, net of returns and allowances and trade discount. Revenue from sale of goods is recognised when transfer of significant risk and rewards of ownership of the goods to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

(ii) Interest income

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

(l) Income taxes

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

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

### 3. Significant Accounting Policies (Cont'd)

#### (l) Income taxes (Cont'd)

Deferred tax is recognised using the liability method for all 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 temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction which 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 be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

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

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

#### (m) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

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

### 3. **Significant Accounting Policies (Cont'd)**

(n) Segments reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers are responsible for allocating resources and assessing performance of the operating segments and make overall strategic decisions. The Group's operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

(o) Contingencies

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

4. **Property, Plant and Equipment**

<b>Group</b>	<b>Renovation RM</b>	<b>Plant and machinery RM</b>	<b>Tools, equipment and moulds RM</b>	<b>Office and computer equipment, furniture and fittings and air-conditioners RM</b>	<b>Motor vehicle RM</b>	<b>Total RM</b>
<b>31.3.2015</b>						
<b>Cost</b>						
At 1 July 2014	295,250	48,509	853,437	8,271,829	28,000	9,497,025
Additions	-	-	3,400	1,920	-	5,320
At 31 March 2015	<u>295,250</u>	<u>48,509</u>	<u>856,837</u>	<u>8,273,749</u>	<u>28,000</u>	<u>9,502,345</u>
<b>Accumulated depreciation</b>						
At 1 July 2014	138,133	37,406	831,166	8,149,728	7,606	9,164,039
Charge for the financial period	20,171	1,870	7,213	27,459	4,527	61,240
At 31 March 2015	<u>158,304</u>	<u>39,276</u>	<u>838,379</u>	<u>8,177,187</u>	<u>12,133</u>	<u>9,225,279</u>
<b>Carrying amount</b>						
At 31 March 2015	<u>136,946</u>	<u>9,233</u>	<u>18,458</u>	<u>96,562</u>	<u>15,867</u>	<u>277,066</u>

4. **Property, Plant and Equipment (Cont'd)**

<b>Group</b>	<b>Renovation RM</b>	<b>Plant and machinery RM</b>	<b>Tools, equipment and moulds RM</b>	<b>Office and computer equipment, furniture and fittings and air-conditioners RM</b>	<b>Motor vehicle RM</b>	<b>Total RM</b>
<b>30.6.2014</b>						
<b>Cost</b>						
At 1 July 2013	295,250	48,509	849,087	8,447,172	28,000	9,668,018
Additions	-	-	4,350	5,620	-	9,970
Written off	-	-	-	(180,963)	-	(180,963)
At 30 June 2014	<u>295,250</u>	<u>48,509</u>	<u>853,437</u>	<u>8,271,829</u>	<u>28,000</u>	<u>9,497,025</u>
<b>Accumulated depreciation</b>						
At 1 July 2013	115,954	35,241	822,492	8,300,904	2,333	9,276,924
Charge for the financial year	22,179	2,165	8,674	29,787	5,273	68,078
Disposals	-	-	-	(180,963)	-	(180,963)
At 30 June 2014	<u>138,133</u>	<u>37,406</u>	<u>831,166</u>	<u>8,149,728</u>	<u>7,606</u>	<u>9,164,039</u>
<b>Carrying amount</b>						
At 30 June 2014	<u>157,117</u>	<u>11,103</u>	<u>22,271</u>	<u>122,101</u>	<u>20,394</u>	<u>332,986</u>

## 5. Goodwill on Consolidation

	<b>Group</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>
At cost	<u>1,935,486</u>	<u>1,935,486</u>

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The recoverable amount of the cash-generating unit (“CGU”), being the trading unit of the Group, is determined on a value-in-use calculation using cash flow projections covering a 8-year period. Management believes that this 8-year forecast period was justified due to the long-term nature of the office interior product business. The key assumptions for the value-in-use calculation are those regarding the discount rate, growth rate and expected changes to selling prices and direct costs during the period. Management estimates discount rate using pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the CGU. The growth rate and changes in selling prices and direct costs are based on expectations of future changes in the market.

The key assumptions used for the value-in-use calculations are:

	<b>Group</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>%</b>	<b>%</b>
Growth rate	38	34
Gross margin	32	35
Discount rate	<u>8</u>	<u>5</u>

The following describes each key assumptions on which management has based its cash flow projections to undertake impairment testing of goodwill:

(a) Budgeted growth rate

The budgeted growth rate is determined based on the industry trend and past performances.

(b) Budgeted gross margin

The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in the year immediately before the budgeted year increased for expected efficiency improvements.

(c) Discount rate

The discount rate is pre-tax and estimated based on the weighted average cost of capital of the Group plus a reasonable risk premium.

**6. Investment in Subsidiaries**

	<b>Company</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>
Unquoted shares, at cost	40,100,922	40,100,922
Less: Accumulated impairment losses	(18,300,497)	(18,300,497)
	<u>21,800,425</u>	<u>21,800,425</u>

Details of the subsidiaries are as follows:

<b>Name of company</b>	<b>Country of incorporation</b>	<b>Effective equity interest</b>		<b>Principal activities</b>
		<b>2015</b>	<b>2014</b>	
		<b>%</b>	<b>%</b>	
AHB Technology Sdn. Bhd.	Malaysia	100	100	Trading of office furniture and specialised computer furniture
AHB Marketing Sdn. Bhd.	Malaysia	100	100	Trading of office interior products
Create Space Sdn. Bhd.	Malaysia	100	100	Trading of office interior products
AHB Distribution Sdn. Bhd.	Malaysia	100	100	Trading of office interior products

**7. Deferred Tax Asset**

	<b>Group</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>
At the beginning/end of the financial period/year	<u>2,500,000</u>	<u>2,500,000</u>

**7. Deferred Tax Asset (Cont'd)**

The component of the deferred tax asset of the Group is as follows:

	<b>Unutilised tax losses RM</b>	<b>Total RM</b>
<b>2015</b>		
At 31 March 2015 / 30 June 2014	<u>2,500,000</u>	<u>2,500,000</u>
<b>2014</b>		
At 30 June 2014 / 30 June 2013	<u>2,500,000</u>	<u>2,500,000</u>

The deferred tax assets have not been recognised in respect of the following temporary differences due to uncertainty of its recoverability:

	<b>Group</b>		<b>Company</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Unutilised tax losses	15,884,000	17,180,000	427,000	427,000
Unabsorbed capital allowances	25,000	25,000	-	-
Temporary difference arising from trade receivables	<u>3,318,000</u>	<u>3,318,000</u>	<u>-</u>	<u>-</u>
	<u>19,227,000</u>	<u>20,523,000</u>	<u>427,000</u>	<u>427,000</u>

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiary companies that have a recent history of losses.

**8. Inventories**

	<b>Group</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>
Trading merchandise	<u>6,688,516</u>	<u>6,626,156</u>
Recognised in profit or loss: Inventories recognised as cost of sales	<u>6,821,245</u>	<u>4,598,482</u>

**9. Trade Receivables**

	<b>Group</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>
Trade receivables	15,463,890	14,426,037
Less: Accumulated impairment losses	<u>(3,694,526)</u>	<u>(3,317,526)</u>
	<u>11,769,364</u>	<u>11,108,511</u>

Trade receivables are recognised at their original invoice amounts which represent their fair value on initial recognition.

The Group's normal trade credit terms is normally 30 to 90 (30.6.2014: 30 to 90) days or contractual periods based on project contract sales. Other credit terms are assessed and approved on a case to case basis.

Movement in the allowance for impairment losses of trade receivables are as follows:

	<b>Group</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>
At 1 July	3,317,526	3,317,526
Impairment loss recognised	<u>377,000</u>	<u>-</u>
At 31 March / 30 June	<u>3,694,526</u>	<u>3,317,526</u>

Analysis of the trade receivables ageing at the end of the reporting period is as follows:

	<b>31.3.2015</b>	<b>30.6.2014</b>		
	<b>RM</b>	<b>RM</b>		
Neither past due nor impaired	1,436,445	576,376		
Past due but not impaired:				
Less than 30 days	<table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="text-align: center;">-</td></tr></table>	-	<table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="text-align: center;">2,566,829</td></tr></table>	2,566,829
-				
2,566,829				
More than 30 days	<table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="text-align: center;">10,332,919</td></tr></table>	10,332,919	<table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="text-align: center;">7,965,306</td></tr></table>	7,965,306
10,332,919				
7,965,306				
	<u>10,332,919</u>	<u>10,532,135</u>		
	11,769,364	11,108,511		
Impaired	<u>3,694,526</u>	<u>3,317,526</u>		
	<u>15,463,890</u>	<u>14,426,037</u>		

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

## 9. Trade Receivables (Cont'd)

As at 31 March 2015, trade receivables of RM10,332,919 (30.6.2014: RM10,532,135) were past due but not impaired. The Group's historical experience in collection of trade receivables falls within the recorded allowances and management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade receivables.

The trade receivables of the Group that are individually assessed to be impaired amounting to RM3,694,526 (30.6.2014: RM3,317,526), related to customers that are in financial difficulties and have defaulted on payments. These balances are expected to be recovered through the debts recovery process.

## 10. Other Receivables

	<b>Group</b>		<b>Company</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Other receivables	3,997,277	3,860,115	-	-
Less: Accumulated impairment losses	-	(167,111)	-	-
	<u>3,997,277</u>	<u>3,693,004</u>	<u>-</u>	<u>-</u>
Deposits	77,702	117,114	-	-
Prepayments	24,599	157,957	-	157,957
	<u>4,099,578</u>	<u>3,968,075</u>	<u>-</u>	<u>157,957</u>

Movement in the allowance for impairment losses of other receivables are as follows:

	<b>Group</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>
At 1 July 2014 / 1 July 2013	167,111	167,111
Amount written off	(167,111)	-
At 31 March 2015 / 30 June 2014	<u>-</u>	<u>167,111</u>

Other receivables that are individually determined to be impaired at the reporting date relate to debtors that are in financial difficulties and have defaulted on payments.

## 11. Amounts Due from/(to) Subsidiaries

Amounts due from/(to) subsidiaries arose from trade and non-trade transactions are unsecured and repayable on demand.

## 12. Fixed Deposit with a Licensed Bank

The weighted average interest rate of the fixed deposit with a licensed bank is 3.10% (30.6.2014: Nil) per annum.

The fixed deposit has maturity period of 1 month (30.6.2014: Nil).

## 13. Share Capital

	Group and Company			
	Number of shares		Amount	
	31.3.2015 Units	30.6.2014 Units	31.3.2015 RM	30.6.2014 RM
Ordinary shares of RM0.20 each				
<b>Authorised</b>				
At the beginning/end of the financial period/year	<u>5,000,000,000</u>	<u>5,000,000,000</u>	<u>1,000,000,000</u>	<u>1,000,000,000</u>
<b>Issued and fully paid</b>				
At 1 July	53,345,398	48,131,398	10,669,080	9,626,280
Movement during the financial period/year:				
- Rights issues	106,690,796	-	21,338,159	-
- Conversion of warrants to ordinary shares	-	5,214,000	-	1,042,800
At 31 March/30 June	<u>160,036,194</u>	<u>53,345,398</u>	<u>32,007,239</u>	<u>10,669,080</u>

During the financial period, the Company increased its issued and fully paid up ordinary share capital from RM10,669,080 to RM32,007,239 by way of renounceable rights issue of 106,690,796 new ordinary shares of RM0.20 each in the Company ('Right Shares') on the basis of 2 Rights Shares for every 1 existing ordinary share of RM0.20 each in the Company together with 71,126,961 free detachable new warrants ("New Warrants") on the basis of 2 New Warrants for every 3 Rights Shares subscribed by the entitled shareholders ("Rights Issue of shares with Warrants").

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

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

**14. Reserves**

	Note	Group		Company	
		31.3.2015 RM	30.6.2014 RM	31.3.2015 RM	30.6.2014 RM
Share premium	(a)	2,891,943	3,664,610	2,891,943	3,664,610
Capital reserve	(b)	21,305,406	21,305,406	21,305,406	21,305,406
Warrant reserve	(c)	11,095,806	-	11,095,806	-
Other reserve	(c)	(11,095,806)	-	(11,095,806)	-
Accumulated losses		<u>(28,849,743)</u>	<u>(29,814,400)</u>	<u>(1,311,089)</u>	<u>(1,289,716)</u>
		<u>(4,652,394)</u>	<u>(4,844,384)</u>	<u>22,886,260</u>	<u>23,680,300</u>

The nature of reserve of the Group and of the Company is as follow:

(a) Share premium

Share premium arose from the issuance of shares and conversion of Irredeemable Convertible Unsecured Loan Stock (“ICULS”) in prior financial years, net of bonus issue and issue expenses.

(b) Capital reserve

The capital reserve arose from the Capital Reduction amounted to RM38,505,118 and was used to offset RM17,199,712 of its accumulated losses at the date when the reduction of share capital become effective in previous financial year.

The remaining credit after off-setting amounting to RM21,305,406 was credited to the capital reserve of the Group and of the Company.

(c) Warrant reserve and other reserve

Warrant reserve and other reserve represent reserve allocated to free detachable warrants issued with right issue.

During the financial period, the Company issued renounceable right issue of 106,690,796 new ordinary shares of RM0.20 each together with 71,126,961 free detachable new warrants on the basis of 2 New Warrants for every 3 Rights Shares. The Company executed a Deed Poll constituting the warrants and the exercise price of the warrants has been fixed at RM0.20 each.

The warrants may be exercised at any time within 5 years commencing on and including the date of first issuance of the warrants. Warrants not exercised during the exercise period will thereafter lapse and cease to be valid.

**14. Reserves (Cont'd)****(c) Warrant reserve and other reserve (Cont'd)**

The warrant holders are not entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment and issuance of new ordinary shares in the Company upon the exercise of the warrants. The warrants holders are not entitled to any voting rights or participation in any form of distribution and/or offer of securities in the Company until and unless such warrant holders exercise their warrants into new ordinary shares in the Company.

As at 31 March 2015, the total number of warrants that remain unexercised were 71,126,961.

**15. Deferred Tax Liability**

	<b>Group</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>
At 1 July 2014 / 1 July 2013	60,790	-
Recognised in profit or loss	1,500	60,790
Over provision in prior year	(58,490)	-
At 31 March 2015 / 30 June 2014	<u>3,800</u>	<u>60,790</u>

The component and movement of deferred tax liability of the Group are as follows:

	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>
<b>Accelerated capital allowances</b>		
At 1 July 2014 / 1 July 2013	60,790	-
Recognised in profit or loss	1,500	60,790
Over provision in prior year	(58,490)	-
At 31 March 2015 / 30 June 2014	<u>3,800</u>	<u>60,790</u>

**16. Trade Payables**

The normal trade credit terms granted to the Group range from 30 to 100 (30.6.2014: 30 to 100) days. Other credit terms are assessed and approved on a case to case basis.

**17. Other Payables**

	<b>Group</b>		<b>Company</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Other payables	468,039	7,989,787	104,768	6,613,642
Accruals	338,968	1,557,455	25,000	117,741
	<u>807,007</u>	<u>9,547,242</u>	<u>129,768</u>	<u>6,731,383</u>

Included in other payables of the Group and of the Company is an amount of RM71,089 (30.6.2014: RM6,469,571) due to third party that resulted from the amount of assigned and offset against the amount of profit guarantee undertaken during previous financial year.

**18. Amount Due to Directors**

The amount due to Directors arose from fees payable to the Directors and advances given to the Company. The amount due are unsecured, interest free and repayable on demand.

**19. Bank Borrowings**

	<b>Group</b>		<b>Company</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Secured</b>				
Term loans	-	4,843,243	-	2,439,709
Repayable as follows:				
Within 1 year	-	4,843,243	-	2,439,709

The term loans bear interest at rates ranging from 1.0% to 2.0% (30.6.2014: 1.0% to 2.0%) per annum above the lending bank's base lending rates.

The term loans are secured by a third party legal charge over a piece of industrial land and building registered in the name of a Director and a close family member of the Director of the Company and a corporate guarantee from the Company. The charge was released by the licensed banks upon settlement of the term loans during the financial period.

**Default in payment**

In previous financial year, the Company has defaulted the repayment term of the term loans. Consequently, the amount was classified as short-term. During the financial period, the Company has fully settled the term loans.

**20. Revenue**

This represents invoiced value of goods sold less returns and discounts.

**21. Staff Costs**

	<b>Group</b>	
	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>
Staff costs (excluding Directors)	<u>1,556,334</u>	<u>1,612,884</u>

Included in the staff costs is contributions made to EPF for the Group amounting to RM129,517 (1.7.2013 to 30.6.2014: RM135,555).

The aggregate amount of remuneration received and receivable by the Executive Directors of the Company and of the subsidiaries during the financial period/year are as below:

	<b>Group</b>		<b>Company</b>	
	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>
<b>Executive Directors</b>				
Fees	18,000	24,000	18,000	24,000
Salaries and other emoluments	312,270	447,259	-	-
EPF contributions	37,476	48,998	-	-
	<u>367,746</u>	<u>520,257</u>	<u>18,000</u>	<u>24,000</u>
<b>Non-Executive Directors:</b>				
Fees	<u>36,000</u>	<u>48,000</u>	<u>36,000</u>	<u>48,000</u>
<b>Total Directors' remuneration</b>	<u>403,746</u>	<u>568,257</u>	<u>54,000</u>	<u>72,000</u>

**22. Finance Costs**

	<b>Group</b>		<b>Company</b>	
	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>
Interest expenses on:				
Term loans	37,377	422,190	-	214,287
Trade and other payables	21,202	182	-	45
	<u>58,579</u>	<u>422,372</u>	<u>-</u>	<u>214,332</u>

**23. Profit/(Loss) before Tax**

Profit/(Loss) before tax is derived after charging/(crediting):

	<b>Group</b>		<b>Company</b>	
	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>
Auditors' remuneration	80,000	99,000	25,000	29,000
Depreciation of property, plant and equipment	61,240	68,078	-	-
Impairment loss on trade receivables	377,000	-	-	-
Loss/(Gain) on foreign exchange				
- Realised	186,652	187,485	-	-
- Unrealised	(260,232)	52,679	-	-
Non-executive Directors' remuneration				
- Fee	36,000	48,000	36,000	48,000
Rental of premises	268,181	262,208	-	-
Rental of photocopier	-	1,860	-	-
Bad debts recovered	-	(14,183)	-	-
Interest income	(70,837)	-	(70,837)	-
	<u>(70,837)</u>	<u>-</u>	<u>(70,837)</u>	<u>-</u>

24. **Taxation**

	<b>Group</b>		<b>Company</b>	
	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>
<b>Tax expense recognised profit or loss</b>				
Current income tax	-	31,074	-	-
Under provision in prior year	9,095	-	-	-
	<u>9,095</u>	<u>31,074</u>	<u>-</u>	<u>-</u>
<b>Deferred tax</b>				
Origination of temporary differences	1,500	60,790	-	-
Over provision in prior year	(58,490)	-	-	-
	<u>(56,990)</u>	<u>60,790</u>	<u>-</u>	<u>-</u>
<b>Tax expense for the financial period/year</b>	<u>(47,895)</u>	<u>91,864</u>	<u>-</u>	<u>-</u>

Malaysian income tax is calculated at the statutory tax rate of 25% (30.6.2014: 25%) on the chargeable income of the estimated assessable profits for the financial period/year.

**24. Taxation (Cont'd)**

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

	<b>Group</b>		<b>Company</b>	
	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>
Profit/(Loss) before tax	916,762	821,425	(21,373)	(292,897)
At Malaysian statutory tax rate of 25% (30.6.2014: 25%)	229,192	205,356	(5,343)	(73,224)
Tax effects in respect of:				
Expenses not deductible for tax purposes	106,232	157,437	5,343	98,724
Income not subject to tax	(9,971)	(40,878)	-	(25,500)
Utilisation of unutilised tax losses and unabsorbed capital allowances brought forward	(323,953)	(290,841)	-	-
Recognition of deferred tax on temporary differences	-	60,790	-	-
Under provision of taxation in prior year	9,095	-	-	-
Over provision of deferred tax in prior year	(58,490)	-	-	-
Tax expense for the financial period/year	(47,895)	91,864	-	-

As at 31 March 2015, the Group and the Company have unutilised tax losses and unabsorbed capital allowances to carry forward to set-off against future taxable profits:

	<b>Group</b>		<b>Company</b>	
	<b>31.3.2015 RM</b>	<b>30.6.2014 RM</b>	<b>31.3.2015 RM</b>	<b>30.6.2014 RM</b>
Unutilised tax losses	25,884,000	27,180,000	427,000	427,000
Unabsorbed capital allowances	25,000	25,000	-	-
	<u>25,909,000</u>	<u>27,205,000</u>	<u>427,000</u>	<u>427,000</u>

The above amounts are subject to the approval by the tax authorities.

**25. Earnings Per Share**Basic earnings per shares

The basic earnings per share are calculated based on the consolidated profit for the financial period/year attributable to the owners of the parent and the weighted average number of ordinary shares in issue during the financial period/year as follows:

	<b>Group</b>	
	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>
Profit attributable to ordinary shareholders	<u>964,657</u>	<u>729,561</u>
Weighted average number of ordinary shares in issue		
Issued ordinary shares at the beginning of the financial period/year	53,345,398	48,131,398
Issue of ordinary shares from the conversion of warrants	-	1,931,177
Effect of ordinary shares issued during the financial period/year	<u>80,991,553</u>	<u>-</u>
Weighted average number of ordinary shares at the end of the financial period/year	<u>134,336,951</u>	<u>50,062,575</u>
Basic earnings per ordinary shares (in sen)	<u>0.72</u>	<u>1.46</u>

Diluted earnings per share

There is no dilution in the earnings per share of the Group as the average market price of the ordinary shares were lower than the exercise price of the warrants. Therefore, conversions of such shares are anti-dilutive.

**26. Related Party Disclosures****(a) Identifying related parties**

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include the Directors of the Group.

The Group has related party relationships with its subsidiaries and key management personnel.

**(b) Significant related party transactions**

Other than the related party balances disclosed in Notes 11 and 18, the Group and the Company do not have any transactions with related party during the financial period.

**(c) Compensation of key management personnel**

Remuneration of key management personnel are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>	<b>1.7.2014 to 31.3.2015 RM</b>	<b>1.7.2013 to 30.6.2014 RM</b>
Fees	18,000	24,000	18,000	24,000
Salaries and other emoluments	312,270	447,259	-	-
EPF contributions	37,476	48,998	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

## 27. Segmental Information

The Directors reviews internal management reports on at least a quarterly basis. Operating segments are components in which separate financial information is available that is evaluated regularly by the management in deciding how to allocate resources and in assessing performance of the Group.

### (a) Business segment

Information relating to business segment is not presented as the Group has identified the business of office interior products, office furniture and specialised computer furniture as its sole operating segment.

### (b) Geographical segments

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

	<b>Revenue</b>	
	<b>1.7.2014</b>	<b>1.7.2013</b>
	<b>to</b>	<b>to</b>
	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>
South-Eastern Asia	2,219,079	4,238,439
Middle East	8,009,680	6,049,774
South-Central Asia	1,149,139	2,364,038
America	150,803	816,045
	<u>11,528,701</u>	<u>13,468,296</u>

Non-current assets information are not presented by geographical location as all the non-current assets are located in Malaysia.

### (c) Major customer

Revenue from two (2014: two) customers of the Group amounted to RM9,391,312 (2014: RM7,930,021) contributed to more than 81% (2014: 59%) of the Group's revenues.

**28. Financial Instruments****(a) Classification of financial instruments**

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised.

The following table analyses the financial assets and financial liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

<b>Group</b>	<b>Loans and receivables RM</b>	<b>Other financial liabilities at amortised cost RM</b>	<b>Total RM</b>
<b>31.3.2015</b>			
<b>Financial Assets</b>			
Trade receivables	11,769,364	-	11,769,364
Other receivables	4,074,979	-	4,074,979
Fixed deposit with a licensed bank	1,017,100	-	1,017,100
Cash and bank balances	1,460,714	-	1,460,714
	<b>18,322,157</b>	<b>-</b>	<b>18,322,157</b>
<b>Financial Liabilities</b>			
Trade payables	-	1,634,019	1,634,019
Other payables	-	807,007	807,007
Amount due to Directors	-	85,190	85,190
	<b>-</b>	<b>2,526,216</b>	<b>2,526,216</b>
<b>30.6.2014</b>			
<b>Financial Assets</b>			
Trade receivables	11,108,511	-	11,108,511
Other receivables	3,810,118	-	3,810,118
Cash and bank balances	961,795	-	961,795
	<b>15,880,424</b>	<b>-</b>	<b>15,880,424</b>
<b>Financial Liabilities</b>			
Trade payables	-	3,090,142	3,090,142
Other payables	-	9,547,242	9,547,242
Amount due to Directors	-	3,301,797	3,301,797
Bank borrowings	-	4,843,243	4,843,243
	<b>-</b>	<b>20,782,424</b>	<b>20,782,424</b>

28. **Financial Instruments (Cont'd)**

## (a) Classification of financial instruments (Cont'd)

<b>Company</b>	<b>Loans and receivables RM</b>	<b>Other financial liabilities at armotised cost RM</b>	<b>Total RM</b>
<b>31.3.2015</b>			
<b>Financial Assets</b>			
Amount due from subsidiaries	31,960,410	-	31,960,410
Fixed deposit with a licensed bank	1,017,100	-	1,017,100
Cash and bank balances	299,635	-	299,635
	33,277,145	-	33,277,145
<b>Financial Liabilities</b>			
Other payables	-	129,768	129,768
Amount due to Directors	-	54,000	54,000
	-	183,768	183,768
<b>30.6.2014</b>			
<b>Financial Assets</b>			
Amount due from subsidiaries	31,246,748	-	31,246,748
Cash and bank balances	10,007	-	10,007
	31,256,755	-	31,256,755
<b>Financial Liabilities</b>			
Other payables	-	6,731,383	6,731,383
Amount due to subsidiaries	-	8,953,574	8,953,574
Amount due to Directors	-	740,788	740,788
Bank borrowings	-	2,439,709	2,439,709
	-	18,865,454	18,865,454

## (b) Financial risk management objectives and policies

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing its credit, liquidity, foreign currency and interest rate risks. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

**28. Financial Instruments (Cont'd)****(b) Financial risk management objectives and policies (Cont'd)**

The following sections provide details regarding the Group's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

**(i) Credit risk**

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and deposit with a licenced bank. The Company's exposure to credit risk arises principally from advances to subsidiaries.

The Group has adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with licensed bank with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Company provides unsecured advances to subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries. There was no indication that any subsidiary company would default on repayment as at the end of the reporting period.

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the reporting period represents the Group's and the Company's maximum exposure to credit risk.

At 31 March 2015, the Group had 6 customers (30.6.2014: 6 customers) that owed the Group at total amount of approximately RM9.2 million (30.6.2014: RM8.7 million) which accounted for approximately 78% (30.6.2014: 78%) of all the receivables outstanding.

The exposure of credit risk for trade receivables as at the end of the reporting period by geographic region was:

	<b>Group</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>
South-Eastern Asia	5,376,555	5,069,160
Middle East	1,966,951	1,904,102
South-Central Asia	4,408,519	4,124,820
America	17,339	10,429
	<u>11,769,364</u>	<u>11,108,511</u>

**28. Financial Instruments (Cont'd)****(b) Financial risk management objectives and policies (Cont'd)****(ii) Liquidity risk**

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group finances its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

	<b>Repayable on demand or within 1 year RM</b>	<b>Total contractual cash flows RM</b>	<b>Total carrying amount RM</b>
<b>Group</b>			
<b>31.3.2015</b>			
<b>Non-derivative financial liabilities</b>			
Trade payables	1,634,019	1,634,019	1,634,019
Other payables	807,007	807,007	807,007
Amount due to Directors	85,190	85,190	85,190
	<u>2,526,216</u>	<u>2,526,216</u>	<u>2,526,216</u>
<b>30.6.2014</b>			
<b>Non-derivative financial liabilities</b>			
Trade payables	3,090,142	3,090,142	3,090,142
Other payables	9,547,242	9,547,242	9,547,242
Amount due to Directors	3,301,797	3,301,797	3,301,797
Bank borrowings	4,843,243	4,843,243	4,843,243
	<u>20,782,424</u>	<u>20,782,424</u>	<u>20,782,424</u>

28. **Financial Instruments (Cont'd)**

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

<b>Company</b>	<b>Repayable on demand or within 1 year RM</b>	<b>Total contractual cash flows RM</b>	<b>Total carrying amount RM</b>
<b>31.3.2015</b>			
<b>Non-derivative financial liabilities</b>			
Other payables	129,768	129,768	129,768
Amount due to Directors	54,000	54,000	54,000
	<u>183,768</u>	<u>183,768</u>	<u>183,768</u>
<b>30.6.2014</b>			
<b>Non-derivative financial liabilities</b>			
Other payables	6,731,383	6,731,383	6,731,383
Amount due to subsidiaries	8,953,574	8,953,574	8,953,574
Amount due to Directors	740,788	740,788	740,788
Bank borrowings	2,439,709	2,439,709	2,439,709
	<u>18,865,454</u>	<u>18,865,454</u>	<u>18,865,454</u>

**28. Financial Instruments (Cont'd)**

## (b) Financial risk management objectives and policies (Cont'd)

## (iii) Market risks

## (a) Foreign currency risk

The carrying amounts of the Group's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows:

	<b>Denominated in</b>		<b>Total</b>
	<b>USD</b>	<b>SGD</b>	
	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>31.3.2015</b>			
Trade receivables	6,550,492	44,716	6,595,208
Cash and bank balances	526,597	-	526,597
	<u>7,077,089</u>	<u>44,716</u>	<u>7,121,805</u>
<b>30.6.2014</b>			
Trade receivables	8,872,476	-	8,872,476
Cash and bank balances	874,478	-	874,478
Trade payables	(40,906)	(1,132)	(42,038)
	<u>9,706,048</u>	<u>(1,132)</u>	<u>9,704,916</u>

The Group is exposed to foreign currency risk on transactions that are denominated in foreign currencies. The currencies giving rise to this risk are primarily United States Dollar (USD) and Singapore Dollar (SGD).

The Group has not entered into any derivative instruments for hedging or trading purposes. However, the exposure to foreign currency risk is monitored from time to time by management.

**28. Financial Instruments (Cont'd)**

## (b) Financial risk management objectives and policies (Cont'd)

## (iii) Market risks (Cont'd)

## (a) Foreign currency risk (Cont'd)

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD and SGD exchange rates against RM, with all other variable held constant.

	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>
<b>Effect to profit or loss</b>		
<b>USD/RM</b>		
- Strengthened 5%	353,854	485,302
- Weakened 5%	<u>(353,854)</u>	<u>(485,302)</u>
<b>SGD/RM</b>		
- Strengthened 5%	2,236	(57)
- Weakened 5%	<u>(2,236)</u>	<u>57</u>

## (b) Interest rate risk

The Group's fixed rate deposit placed with licensed bank and borrowings are expected to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages the interest rate risk of its deposit with licensed bank by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long term deposits.

The Group manages its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debt portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

**28. Financial Instruments (Cont'd)**

## (b) Financial risk management objectives and policies (Cont'd)

## (iii) Market risks (Cont'd)

## (b) Interest rate risk (Cont'd)

The carrying amounts of the Group's financial instruments that are exposed to interest rate risk is as follows:

	<b>Group RM</b>	<b>Company RM</b>
<b>30.6.2014</b>		
<b>Floating rate instruments</b>		
<u>Financial liabilities</u>		
Bank borrowings	4,843,243	2,439,709

Interest rate sensitivity analysis

A change in 1% interest rate at the end of the previous financial period would have increased/decreased the Group's and the Company's profit before tax by RM48,432 and RM24,397 respectively, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. This analysis assumes that all other variables remain constant.

## (c) Fair values of financial instruments

The carrying amounts of short term receivables and payables, cash and cash equivalents and short term borrowing approximate their fair values due to the relatively short term nature of these financial instruments and insignificant impact of discounting.

## 29. Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital using a gearing ratio. The Group's policy is to maintain a prudent level of gearing ratio that complies with debt covenants.

The gearing ratios at end of the reporting period are as follows:

	<b>Group</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>
Total loans and borrowings	-	4,843,243
Less: Deposits, bank and cash balances	2,477,814	961,795
Net debt	<u>(2,477,814)</u>	<u>3,881,448</u>
Total equity	<u>27,354,845</u>	<u>5,824,696</u>
Gearing ratio	<u>*</u>	<u>67%</u>

\* The gearing ratio is not applicable as the Group has no loans and borrowings as at 31 March 2015.

The gearing ratio is not applicable to the Company as there was no loans and borrowings as at 31 March 2015 and 30 June 2014.

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

### 30. Significant Events

- (a) On 19 August 2013, Malayan Banking Berhad has initiated a legal proceeding against a subsidiary of the Company, AHB Technology Sdn. Bhd. (“ATSB”), by serving a Writ of Summon dated 14 August 2013 together with Statement of Claimed dated 13 August 2013, for the total amount due and owing by the Company to Malayan Banking Berhad under the term loan facilities is RM1,139,016.57 as at 31 March 2013, plus the interest accrued therein until the date of full settlement.

On 29 November 2013, the High Court of Kuala Lumpur had granted judgement to Malayan Banking Berhad and ATSB is going to appeal on this judgement. The hearing of appeal will be held on 1 April 2014.

On 29 February 2014, an application to Kuala Lumpur High Court for stay of execution is fixed on 3 March 2014 for hearing.

On 31 March 2014, ATSB has received a petition to Wind-up by the Court under the provisions of the Companies Act, 1965, with the appointment of a liquidator and allowed the Court of and incidental to the winding-up to be taxed by the petition and the petition is to be heard on 27 June 2014.

On 27 June 2014, the Judge has allowed the winding up of ATSB under the provisions of the Companies Act, 1965 and that the Official Receiver be appointed as Liquidator of the ATSB.

On 25 November 2014, ATSB made full payment of the term loan facilities towards the settlement of the Malayan Banking Berhad’s suit to resolve it’s winding up status. ATSB has applied to the court for a stay of winding up order.

On 6 March 2015, ATSB was granted by Kuala Lumpur High Court the order for permanent stay of winding-up. The permanent stay of winding-up order has the same effect of disposing off the winding up order.

The Official Receiver on behalf of the Official Receiver Malaysia had issued notice that on 6 March 2015, the liquidator was removed from the office of ATSB, via its letter dated 10 March 2015.

**30. Significant Events (Cont'd)**

- (b) On 31 October 2014, the Company announced that the Company is a Practice Note 17 (“PN17”) company it has triggered the prescribed criteria under PN17 pursuant to Paragraph 8.04 and Paragraph 2.1(d) of PN17 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The PN17 criteria was triggered as the previous auditors have expressed a disclaimer opinion in the Company’s audited financial statements for the financial year ended 30 June 2014.

Pursuant to PN17, the Company is required pursuant to comply with the following obligations:

- (i) To announce details of the Regularisation Plan as referred to in paragraph 8.04(3) of the Listing Requirements which announcement must fulfil the requirement set out in paragraph 4.2 of PN17;
- (ii) To submit the Regularisation Plan to the Securities relevant authorities (“Approving Authority”), for approval within twelve (12) months from the date of the First Announcement; and to implement the Regularisation Plan within the timeframe stipulated by the relevant Approving Authority;
- (iii) To announce the status of its Regularisation Plan and the number of months to the end of the relevant timeframes referred thereto, as may be applicable on a monthly basis until further notice from Bursa Securities;
- (iv) To announce its compliance or non-compliance with a particular obligation imposed pursuant to PN17 on an immediate basis;
- (v) In the event that the Company fails to comply with the obligation to regularise its condition, it will announce the dates of suspension and de-listing of its listed securities immediately upon notification of suspension and de-listing by Bursa Securities.

The Company is required to submit its Regularisation Plan to the relevant authorities for approval until 30 October 2015.

31. **Comparative Information**

The financial statements of the Group and of the Company as at 30 June 2014 were audited by another firm of chartered accountants.

32. **Date of Authorisation for Issue**

The financial statements of the Group and of the Company for the financial period ended 31 March 2015 were authorised for issue in accordance with a resolution of the Board of Directors on 31 July 2015.

**33. Supplementary Information On The Disclosure Of Realised And Unrealised Profits Or Losses**

The following analysis of realised and unrealised accumulated losses of the Group and of the Company as at the reporting date is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	<b>Group</b>		<b>Company</b>	
	<b>31.3.2015</b>	<b>30.6.2014</b>	<b>31.3.2015</b>	<b>30.6.2014</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Total accumulated losses of the Company and its subsidiaries				
- realised	(40,447,257)	(41,042,013)	(1,311,089)	(1,289,716)
- unrealised	2,756,432	2,386,531	-	-
	<u>(37,690,825)</u>	<u>(38,655,482)</u>	<u>(1,311,089)</u>	<u>(1,289,716)</u>
Less: Consolidation adjustments	8,841,082	8,841,082	-	-
	<u>(28,849,743)</u>	<u>(29,814,400)</u>	<u>(1,311,089)</u>	<u>(1,289,716)</u>

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

## ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS

Authorised Share Capital:	RM200,000,000.00
Issued and Fully Paid-up Capital:	RM32,007,238.80 comprising 160,036,194 ordinary shares of RM0.20 each
Class of Shares:	Ordinary Shares of RM0.20 each
Voting Rights:	1 vote per Ordinary Share

### ANALYSIS BY SIZE OF HOLDINGS AS AT 10 AUGUST 2015 :

NO. OF HOLDERS	NO. OF HOLDERS	%	NO. OF SHARES	%
1 - 99	60	3.08	3,155	0.00
100 - 1,000	175	8.99	107,858	0.07
1,001 - 10,000	785	40.32	3,378,529	2.11
10,001 - 100,000	715	36.72	30,578,481	19.11
100,001 to less than 5% of issued shares	210	10.79	78,703,825	49.18
5% and above of issued shares	2	0.10	47,264,346	29.53
<b>TOTAL :</b>	<b>1,947</b>	<b>100.00</b>	<b>160,036,194</b>	<b>100.00</b>

### SUBSTANTIAL SHAREHOLDERS (per Register of Substantial Shareholders)

Name of Directors	No. of Ordinary Shares of RM0.20 each			
	---Direct---	%	---Indirect---	%
	No. of Shares held		No. of Shares held	
Dexx Technologies Sdn Bhd	28,060,746	17.53	-	-
Yong Yoke Keong	21,671,511	13.54	-	-
Mohd Fairuz bin Khalid	-	-	28,060,746*	17.53
Muhamad Fazil bin Khalid	-	-	28,060,746*	17.53

#### Notes :

- \* Deemed interested by virtue of his shareholdings in Dexx Technologies Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.

### DIRECTORS' SHAREHOLDINGS (As per Register of Directors' Shareholders)

Name of Directors	No. of Ordinary Shares of RM0.20 each			
	---Direct---	%	---Indirect---	%
	No. of Shares held		No. of Shares held	
Yong Yoke Keong	21,671,511	13.54	-	-
Chan Chow Hun	-	-	-	-
Dr Folk Jee Yong	-	-	-	-
Hee Teck Ming	1,500	-*	-	-

- \* Negligible

## ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS (cont'd)

### LIST OF TOP 30 LARGEST SECURITIES HOLDERS AS AT 10 AUGUST 2015 (ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 10 AUGUST 2015)

No.	Name	No. of Shares	%
1	Dexx Technologies Sdn Bhd	28,060,746	17.53
2	JF Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yong Yoke Keong	19,203,600	12.00
3	Trident Target Sdn Bhd	3,771,000	2.36
4	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Heng Ah Moi (8060540)	3,292,000	2.06
5	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yong Yoke Keong (4966 JTRK)	2,452,800	1.53
6	JF Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Trident Target Sdn Bhd (margin)	2,283,700	1.43
7	Muhamad Aloysius Heng	2,142,400	1.34
8	Lau Chuan Hoo	1,715,000	1.07
9	Lai Wei Chai	1,700,000	1.06
10	Choo Kian Woon	1,500,000	0.94
11	Mercsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ho Lih Meng	1,500,000	0.94
12	RHB Capital Nominess (Tempatan) Sdn Bhd Pledged Securities Account for Siow Chock Shume	1,381,700	0.86
13	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Hong Chee (8106281)	1,265,100	0.79
14	Lee Kok Hoong	1,140,000	0.71
15	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yong Chew Keat (4966 JTRK)	1,051,200	0.66
16	Ser Chai Heng	1,050,000	0.66
17	Ching Ching Kuon	910,000	0.57
18	JF Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Thoo Soon Huat (margin)	900,000	0.56
19	Public Invest Nominees (Tempatan) Sdn Bhd Exempt An fro Phillip Securities Pte Ltd (clients)	802,000	0.50
20	Ou Kwee Hua	800,000	0.50
21	Toh Seng Huat	750,000	0.47
22	Tham Suan Ngor	744,000	0.46
23	Nizam bin Abdul Karim	710,000	0.44
24	Ching Ching Kuon	700,000	0.44
25	Voon Jye Wah	680,800	0.43
26	Cheng Kwai Lan	650,000	0.41
27	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Thoo Soon Huat	650,000	0.41
28	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB Bank for Leong Kim Fong (M93010)	600,000	0.37
29	Lee Kuan Heng @ Lee Khor Ching	600,000	0.37
30	Yeo Ann Seck	600,000	0.37
		<b>83,606,046</b>	<b>52.24</b>

## ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS (cont'd)

### ANALYSIS OF WARRANT HOLDINGS AS AT 10 AUGUST 2015

Total Number of Warrants Issued	:	71,126,961
Total Number of Outstanding Warrants	:	71,126,961
Exercise Price of Warrants	:	RM0.20

### DISTRIBUTION OF WARRANTS HOLDINGS AS AT 10 AUGUST 2015

SIZE OF HOLDINGS	NO OF WARRANTS HOLDERS	% OF WARRANTS HOLDERS	NO. OF WARRANTS	% OF WARRANTS
1 - 99	94	14.46	4,900	0.01
100 - 1,000	18	2.77	7,787	0.01
1,001 - 10,000	196	30.15	848,050	1.19
10,001 - 100,000	239	36.77	10,503,580	14.77
100,001 - 3,556,347 (*)	101	15.54	37,493,269	52.71
3,556,347 AND ABOVE (**)	2	0.31	22,269,375	31.31
<b>TOTAL :</b>	<b>650</b>	<b>100.00</b>	<b>160,036,194</b>	<b>100.00</b>

Remark:

- \* Less than 5% of issued warrants  
 \*\* 5% and above of issued warrants

### DIRECTORS' WARRANT HOLDINGS AS AT 10 AUGUST 2015 :

Name of Directors	---Direct---		---Indirect--	
	No. of Warrants held	%	No. of Warrants held	%
Yong Yoke Keong	9,803,782	13.78	-	-
Chan Chow Hun	-	-	-	-
Dr Folk Jee Yong	-	-	-	-
Hee Teck Ming	-	-	-	-

## ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS (cont'd)

### LIST OF TOP 30 LARGEST WARRANTS HOLDERS AS AT 10 AUGUST 2015 (ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 10 AUGUST 2015)

No.	Name	No. of Shares	%
1	Dexx Technologies Sdn Bhd	12,472,309	17.54
2	JF Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yong Yoke Keong	9,797,066	13.77
3	Khoo Choong Lye	2,045,500	2.88
4	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Alexander Gabriel (E-SS2)	1,900,000	2.67
5	Chew Swee Eng	1,500,000	2.11
6	Lim Cheng Ten	1,450,000	2.04
7	Wong Mee Lin	1,308,100	1.84
8	Mercsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ho Lih Meng	1,290,000	1.81
9	Chaang Kok Leong	1,150,000	1.62
10	Julian Cheah Wai Meng	1,118,032	1.57
11	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Heng Ah Moi (8060540)	1,100,000	1.55
12	Tan Chee Ping	914,700	1.29
13	Ng Jin Joo	885,000	1.24
14	Moo Chee Chern	800,000	1.12
15	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ng Jin Joo (E-TJJ/BBP)	766,666	1.00
16	Tew Wan Peng	700,000	0.98
17	Lau Chuan Hoov	666,666	0.94
18	Boo Nyuk Lien	650,000	0.91
19	Yeo Ann Seck	600,000	0.84
20	Tan Cheng Seang	575,000	0.81
21	Lyncher Wung Wei Fung	550,000	0.77
22	Tan Kok Keat	550,000	0.77
23	Lee Kok Hoong	530,332	0.75
24	Ho Chee Kwen	520,000	0.73
25	Lee Siew Pong	500,000	0.70
26	Wong Zhi Hao	500,000	0.70
27	Wan Ishak bin Wan Ali	450,000	0.63
28	Ong Seng Kee	404,300	0.57
29	Mohd Abd Rashid bin Hussain	396,666	0.56
30	JF Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Trident Target Sdn Bhd (margin)	374,666	0.53
		<b>46,465,003</b>	<b>65.33</b>

## NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING



**AHB HOLDINGS BERHAD**  
(Company No: 274909-A)  
(Incorporated in Malaysia)

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Second (22nd) Annual General Meeting (“AGM”) of AHB Holdings Berhad (“the Company”) will be held at 17, Jalan Industri PBP 11, Pusat Bandar Puchong, 47100 Puchong, Selangor Darul Ehsan on Friday, 18 September 2015 at 10.00 a.m. for the following purposes:-

	<b>As Ordinary Business</b>	
1	To receive the Audited Financial Statements for the financial period ended 31 March 2015 together with the Reports of the Directors and Auditors thereon.	Please refer to Explanatory Note 1
2	To approve the payment of Directors’ Fees for the financial period ended 31 March 2015.	Resolution 1
3	To re-elect Dr Folk Jee Yoong who retires pursuant to Article 85 of the Company’s Articles of Association and being eligible, has offered himself for re-election.	Resolution 2
4	To re-appoint Messrs. UHY as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.	Resolution 3
5	<p><b>As Special Business</b></p> <p>To consider and if thought fit, to pass the following resolutions, with or without modifications:-</p> <p><b>ORDINARY RESOLUTION</b> - <b>AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965</b> “THAT subject to the Companies Act, 1965 and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company at any time to such persons 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 to be issued does not exceed ten percentage (10%) of the issued and paid up share capital of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Berhad; AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next AGM of the Company.”</p>	Resolution 4
6	<p><b>RETENTION OF INDEPENDENT DIRECTOR</b> “THAT approval be and is hereby given to Mr Hee Teck Ming, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company.”</p>	Resolution 5
7	To transact any other ordinary business for which due notice have been given.	

BY ORDER OF THE BOARD

Tan Tong Lang (MAICSA 7045482)  
Chong Voon Wah (MAICSA 7055003)  
Company Secretaries

Kuala Lumpur

Dated: 27 August 2015

## NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING (cont'd)

### Explanatory Notes to Ordinary and Special Business:-

#### 1. Item 1 of the Agenda

This Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. As such, this item is not put forward for voting.

#### 2. Authority pursuant to Section 132D of the Companies Act, 1965

The Proposed adoption of the Ordinary Resolution, if passed, will empower the Directors of the Company to issue and allot new shares at any time to such persons, in their absolute discretion, deem fit ("General Mandate"), provided that the number of shares issued pursuant to this General Mandate, when aggregated with the nominal value of any such shares issued during the preceding twelve (12) months, does not exceed 10% of the total issued share capital of the Company at the time of issue. This renewed General Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

The Previous Mandate granted by the shareholders had not been utilized and hence no proceed was raised therefrom.

With this renewed General Mandate, the Company will be able to raise funds expeditiously for the purpose of funding future investment, working capital and/or acquisition(s) without having to convene a general meeting to seek shareholders' approval when such opportunities or needs arise.

#### 3. Item 6 of the Agenda

The Nomination Committee has assessed the independence of Mr Hee Teck Ming, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, and recommended him to continue act as an Independent Non-Executive Director of the Company based on the following justifications:-

- a) He fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus, he would be able to function as a check and balance, bring an element of objectivity to the Board;
- b) His vast experience in the industry and background would enable him to provide the Board with a diverse set of experience, expertise and independent judgment to better manage and run the Group;
- c) He has been with the Company for more than 9 years from 1996 to 2007, and from 2013 to 2015, is familiar with the Company's business operations; and
- d) He has exercised his due care during his tenure as an Independent Non-Executive Director of the Company and carried out his professional duties in the interest of the Company and shareholders.

#### Notes:

- (i) For the purpose of determining a member who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 61(2) of the Company's Articles of Association to issue a General Meeting Record of Depositors as at 08 September 2015. Only depositor whose name appears on the Record of Depositors as at 08 September 2015 shall be entitled to attend this meeting or appoint proxies to attend and/or votes on his/her behalf.
- (ii) A member shall be entitled to appoint up to a maximum of two (2) proxies to attend and vote in his stead and where a member appoints more than one (1) proxy to attend and vote at the same meeting, such appointment shall be invalid unless the member specified the proportions of his shareholdings to be represented by each proxy.
- (iii) A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- (iv) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (v) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
- (vi) The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of the Share Registrar of the Company situated at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time for holding the meeting i.e. before 10.00 a.m., Wednesday, 16 September 2015, or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

## **NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING (cont'd)**

### **STATEMENT ACCOMPANYING THE NOTICE OF THE TWENTY-SECOND ANNUAL GENERAL MEETING**

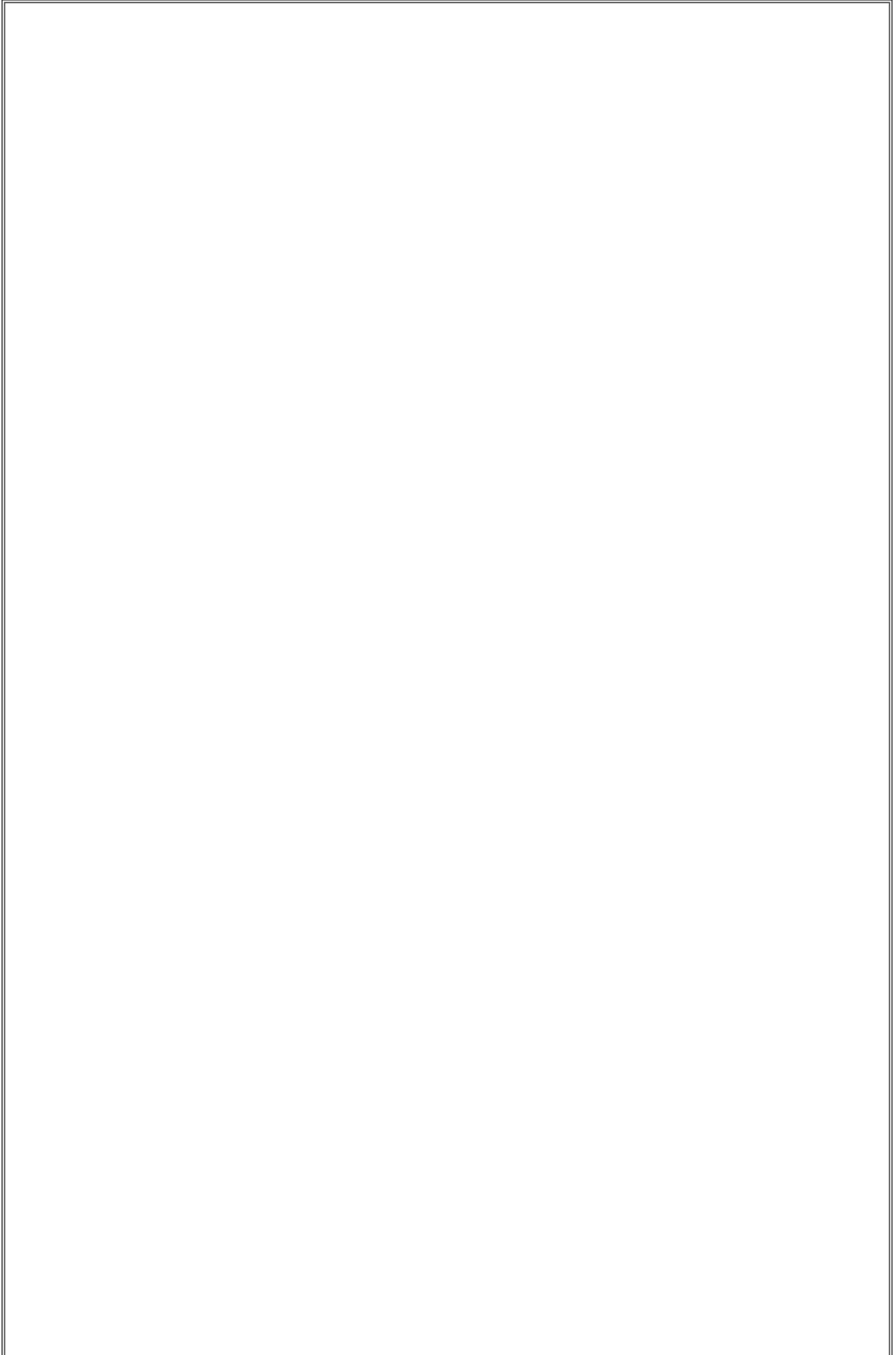
(Pursuant to Paragraph 8.27(2) of Bursa Malaysia Berhad's Main Market Listing Requirements)

#### **Further details of Directors who are standing for re-appointment and re-election as Directors**

The profiles of the Directors who are standing for re-appointment and re-election at the Twenty Second Annual General Meeting are set out in the Board of Directors' Profile on pages 7 to 8 of the Annual Report.

No individual other than the retiring Directors are seeking appointment and election as a Director at the Twenty Second Annual General Meeting.

# NOTES



# PROXY FORM



**AHB HOLDINGS BERHAD**  
(Company No: 274909-A)  
(Incorporated in Malaysia)

No. of Shares held	
CDS Account No.	

I/We, ..... NRIC/Company No. ....  
(Full name in block letters)  
of .....  
(Full address)  
being a member(s) of AHB HOLDINGS BERHAD hereby appoint .....  
(Full name in block letters)  
of ..... or failing  
(Full address)  
whom, ..... of .....  
(Full name in block letters) (Full address)  
.....

or failing him/her, the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the Twenty Second Annual General Meeting of the Company to be held at 17, Jalan Industri PBP 11, Pusat Bandar Puchong, 47100 Puchong, Selangor Darul Ehsan on Friday, 18 September 2015 at 10.00 a.m. and at any adjournment thereof.

Ordinary Resolutions	Subject	*For	*Against
1	To approve the payment of Directors' Fees.		
2	To re-elect Dr Folk Jee Yoong as Director of the Company.		
3	To re-appoint Messrs. UHY as Auditors of the Company.		
4	<b>As Special Business</b> <u>Ordinary Resolution</u> Authority to issue shares pursuant to Section 132D of the Companies Act, 1965.		
5	Retention of Independent Director		

**Please indicate with an "X" in the spaces provided how you wish your vote to be cast. If no specific instruction is given on the voting, the proxy/proxies will vote or abstain from voting on the resolution at his/her discretion.**

signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

\_\_\_\_\_  
signature of shareholders/common seal

- For the purpose of determining a member who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 61(2) of the Company's Articles of Association to issue a General Meeting Record of Depositors as at 08 September 2015. Only depositor whose name appears on the Record of Depositors as at 08 September 2015 shall be entitled to attend this meeting or appoint proxies to attend and/or votes on his/her behalf.
- A member shall be entitled to appoint up to a maximum of two (2) proxies to attend and vote in his stead and where a member appoints more than one (1) proxy to attend and vote at the same meeting, such appointment shall be invalid unless the member specified the proportions of his shareholdings to be represented by each proxy.
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STAMP

**AHB HOLDINGS BERHAD**

(Company No. 274909-A)

C/O BOARDROOM CORPORATE SERVICES (KL) SDN BHD  
Lot 6.05 Level 6, KPMG Tower  
8 First Avenue, Bandar Utama  
47800 Petaling Jaya,  
Selangor, Malaysia

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# NOTES

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# NOTES

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## For People & Space Around the World

Taking into consideration both the human mind and body, AHB products combine the ergonomics with the aesthetics. The sleek and clean designs are also flexible and can be adapted to satisfy necessary office requirements while gracefully complying with physical space restrictions.

AHB has a well-established local and international distribution network and a physical presence through showrooms and dealers in many locations around the world.

Having furnished more than 15,000 workstations to one of the tallest buildings in the world in Kuala Lumpur, Malaysia - the Petronas Twin Towers since 1997, AHB has delivered thousands of workstations to clients around the world, including American Express, Nestle, Gillette, Glaxo SmithKline, Bell South, Lloyds Bank, DHL, ABN Amro Bank, Phillips, IBM, Bayers and Lucent Alcatel.

## The Integrative yet Adaptive AHB Business Model

Taking advantage of the global village concept and the information technology today, AHB implements a business model that focuses on research and development of office interior markets, customers, products, and on out-sourcing and contract manufacturing of office interior products.

All AHB products are manufactured in Malaysia. Our Seri Kembangan, plant is 1.2 acre in its size. We carefully studied the fulfillment processes so as to ensure production efficiency and efficient response to customer demands.

The AHB plant focuses on high value added activities such as R&D, new product testing and prototyping, quality assurance, production assembly process, warehousing, staging and loading. The entire operations are integrated by SAP R/3.0 business software.

## Design is our Passion

AHB invests succinctly in Research and Development, continually striving to produce the most innovative, flexible and functional office furniture.

All AHB products have been successfully tested under various international product testing and accreditation, including ANSI, BIFMA and British Standard by independent test laboratories; and are also produced at a consistent high quality level.

### AHB Holdings Berhad 274909A

#### Registered Office :

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Mid Valley City, Lingkaran Syed Putra,  
59200 Kuala Lumpur  
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Facsimile : 03-2279 3090  
Web: [www.ahb.com.my](http://www.ahb.com.my)  
Email: [mailbox@ahb.com.my](mailto:mailbox@ahb.com.my)

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