

www.gbhgroup.com.my



Goh Ban Huat Berhad (1713-A)

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GOH BAN HUAT BERHAD (1713-A)

GBH
GOH BAN HUAT BERHAD



2016 ANNUAL REPORT

2016 ANNUAL REPORT



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CFM Printing & Stationery Sdn. Bhd. (753340)
Tel : 603-4023 1066

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Sixty-Ninth Annual General Meeting ("69th AGM") of the Company will be held at Bukit Kiara Equestrian and Country Resort, Dewan Berjaya Room, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Malaysia on Thursday, 22 September 2016 at 10.30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:-

AGENDA

- | | |
|--|--|
| 1. To lay before the meeting the Audited Financial Statements of the Group and the Company for the financial year ended 31 March 2016 together with the Reports of the Directors and Auditors thereon. | Please refer Explanatory Note A |
| 2. To re-elect the following Directors retiring in accordance with Article 80 of the Company's Articles of Association: | |
| (a) Dato' Sri Tan Han Chuan; and | Ordinary Resolution 1(a) |
| (b) Mr. Lai Sze Pheng. | Ordinary Resolution 1(b) |
| 3. To re-appoint the following Directors pursuant to Section 129(6) of the Companies Act, 1965 and to hold office until the conclusion of the next Annual General Meeting of the Company:- | |
| (a) Tan Sri Dato' Tan Hua Choon; | Ordinary Resolution 2(a) |
| (b) Brig. Jen. Dato' Mior Azam Bin Mior Safi (Rtd); and | Ordinary Resolution 2(b) |
| (c) Dato' Ismail Bin Hamzah. | Ordinary Resolution 2(c) |
| 4. To re-appoint PCCO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 3 |
| 5. To approve the payment of Directors' fees in respect of the financial year ended 31 March 2016. | Ordinary Resolution 4 |
| 6. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965. | |

By Order of the Board

Lim Lai Sam (MAICSA No. 0877479)
Loh Poh Wah (MAICSA No. 7047338)
Secretaries

Kuala Lumpur
29 July 2016

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies (but not more than two) to attend and vote instead of him. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. Where a member appoints two (2) proxies to attend the same meeting, the member shall specify the proportion of his shareholding to be represented by each proxy, failing which the appointment(s) shall be invalid.
2. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it shall be entitled to appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one 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.
4. Where an authorised nominee or an exempt authorised nominee appoints more than one proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
5. Depositors whose names appear in the Record of Depositors on a date not less than three (3) market days before the Annual General Meeting shall be entitled to attend and vote at the Annual General Meeting or appoint a proxy to attend, speak and vote on his behalf.
6. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
7. The Proxy Form shall be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

Explanatory Note A

This Agenda item is meant for discussion only as under the provisions of Section 169(1) of the Companies Act, 1965, the audited financial statements do not require formal approval of shareholders and hence, the matter will not be put forward for voting.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Dato' Tan Hua Choon	<i>(Non-Independent Non-Executive Director, Chairman)</i>
Brig. Jen. Dato' Mior Azam Bin Mior Safi (Rtd)	<i>(Independent Non-Executive Director)</i>
Dato' Ismail Bin Hamzah	<i>(Independent Non-Executive Director)</i>
Aminuddin Yusof Lana	<i>(Independent Non-Executive Director)</i>
Dato' Sri Tan Han Chuan	<i>(Executive Director)</i>
Lai Sze Pheng	<i>(Executive Director)</i>
Tang Tat Chun	<i>(Executive Director-Finance)</i>
Poh Weng Choon	<i>(Executive Director)</i>

AUDIT COMMITTEE

Dato' Ismail Bin Hamzah (Chairman)
Brig. Jen. Dato' Mior Azam Bin Mior Safi (Rtd)
Aminuddin Yusof Lana

NOMINATION COMMITTEE

Dato' Ismail Bin Hamzah (Chairman)
Brig. Jen. Dato' Mior Azam Bin Mior Safi (Rtd)

REMUNERATION COMMITTEE

Tan Sri Dato' Tan Hua Choon (Chairman)
Dato' Ismail Bin Hamzah

SENIOR INDEPENDENT

NON-EXECUTIVE DIRECTOR

Dato' Ismail Bin Hamzah
Fax : (03) 4043 6750

COMPANY SECRETARIES

Lim Lai Sam (MAICSA No. 0877479)
Loh Poh Wah (MAICSA No. 7047338)

REGISTERED OFFICE

8-3, Jalan Segambut
51200 Kuala Lumpur, Malaysia
Tel: (03) 6195 1600
Fax: (03) 4043 6750

PRINCIPAL BANKERS

Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad

SHARE REGISTRARS

TRICOR INVESTOR & ISSUING HOUSE
SERVICES SDN BHD

Office:

Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel: (03) 2783 9299
Fax: (03) 2783 9222

Customer Service Centre:

Unit G-3, Ground Floor
Vertical Podium
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

AUDITORS

PCCO PLT
(Chartered Accountants)
17, Jalan Ipoh Kecil
50350 Kuala Lumpur
Tel: (03) 4042 1177
Fax: (03) 4041 9216

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market
Stock Name: GBH
Stock Code: 3611

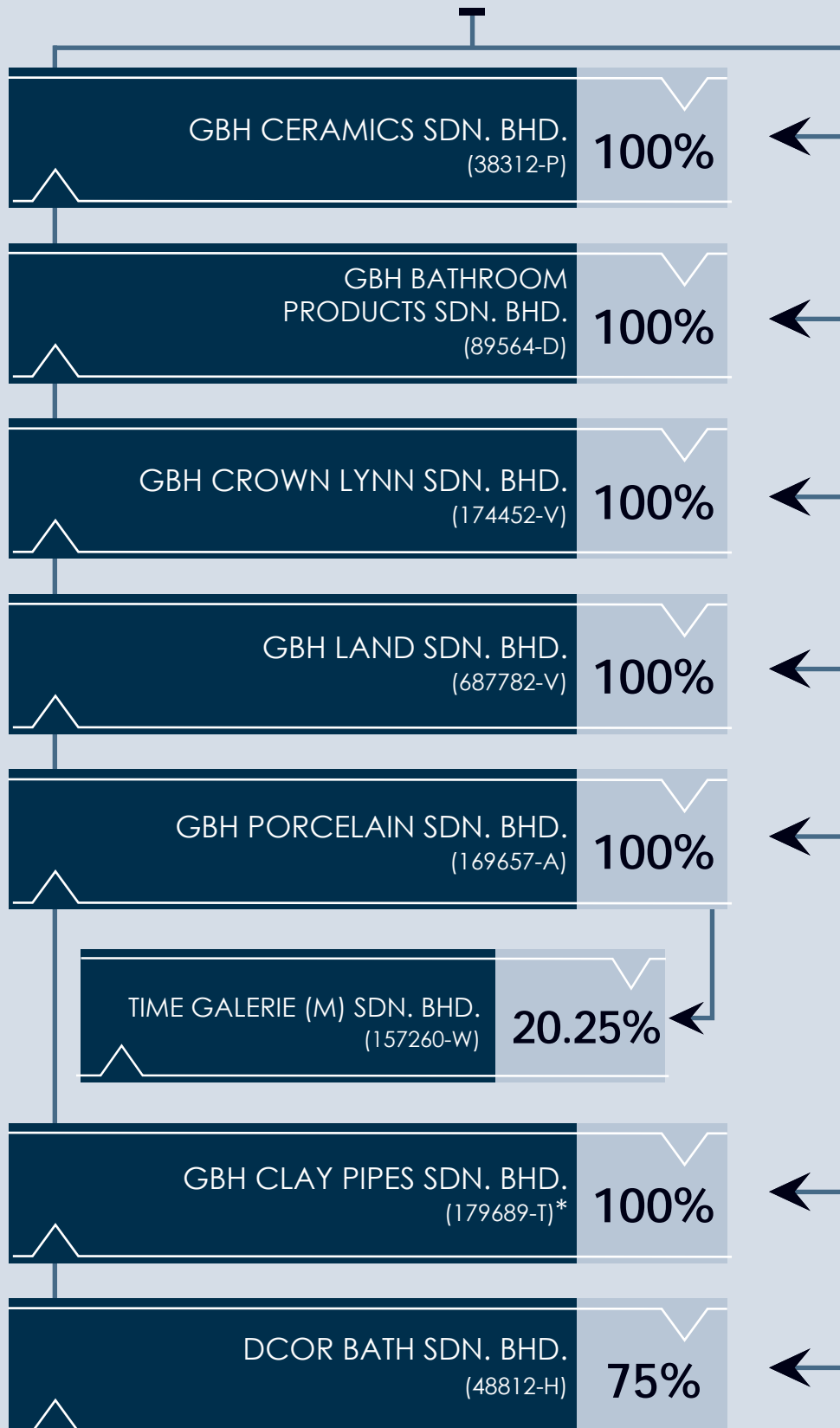
WEBSITE

www.gbhgroup.com.my

CORPORATE STRUCTURE

GOH BAN HUAT BERHAD

(1713-A)



*Dormant Company

CHAIRMAN'S STATEMENT

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Accounts of Goh Ban Huat Berhad for the Financial Year ended 31 March 2016.

Financial and Performance Review

Revenue for the Group has reduced by 22.1% from RM68.09 million for the 15 months ended 31 March 2015 to RM53.04 million for the year ended 31 March 2016 mainly due to the additional quarter of reporting as a result of the change in the financial year end of the Group for the period ended 31 March 2015. The Group recorded a profit before tax of RM1.06 million in 2016 as compared with a profit before tax of RM75.61 million in the preceding financial period; the decrease being mainly attributed to the recognition of a one-off gain from the disposal of six parcels of freehold industrial land and three parcels of leasehold industrial land during the preceding financial period of RM76.66 million.

The revenue for the Manufacturing business segment reduced by 35.8% from RM52.33 million for the 15 months ended 31 March 2015 to RM33.58 million for the year ended 31 March 2016. Excluding an intercompany debt write back of RM29.12 million, the results of the Manufacturing business segment declined from a profit after tax of RM5.89 million in 2015 to a loss after tax of RM1.75 million in 2016. The decline in revenue was mainly due to the longer reporting period in 2015 whereas the results were adversely impacted by the costs related to the cessation of one of the clay pipes plants during the last quarter of the financial year. The group has decided to exit the clay pipes manufacturing business in the next financial year following the expiry and termination of tenancies of the premises on which the pipes plants are sited.

The revenue from the Trading business segment (which consists of our Sanitaryware and Tableware Divisions) reduced slightly by 0.8% from RM15.56 million for the 15 months ended 31 March 2015 to RM15.44 million for the year ended 31 March 2016. If the longer reporting period in 2015 were to be taken into account, the segment actually recorded a higher revenue as a result of improved sales in the Sanitaryware Division which is partly contributed by our investment during the year in a subsidiary that distributes the "Kohler" brand sanitaryware. The loss after tax for Trading business segment increased from RM1.01 million in 2015 to RM2.66 million in 2016 due to lower gross profit margin as a result of a weaker Ringgit as well as higher warehouse and premise rental.

The revenue from Investment business segment improved significantly from RM0.19 million for the 15 months ended 31 March 2015 to RM4.02 million for the year ended 31 March 2016. The significant improvement was mainly due to the higher interest income from the placement of funds from the proceeds received from the land sale.

Prospects

The Group will exit from the clay pipes manufacturing business in the financial year ending 31 March 2017 following the expiry and termination of tenancies of the premises on which the plants are sited. The Board has taken the decision not to invest in a new plant elsewhere due to the high capital expenditure involved and profit margins are expected to continue to come under pressure for the foreseeable future in anticipation of higher natural gas and electricity tariffs.

The Sanitaryware Division has shown a growth potential with improved top line revenue following implementation of measures aimed at increasing our market share and the recent investment in a subsidiary that distributes sanitaryware under the "Kohler" brand. This will enable us to tap both the mid and high end market segments. Attention will be paid to the feasibility of further growing the Sanitaryware Division business.

Pursuant to the completion of the disposal of the Group's properties in March 2015, the Board is continually and diligently looking for other new business opportunities in addition to the existing business to enhance GBH's shareholders value.

Dividends

No dividend has been declared or recommended for the financial year ended 31 March 2016.

Appreciation

I wish to thank the Management team and staff for their contribution, commitment and loyalty, and to our valued customers, suppliers, business associates, bankers and most importantly, our shareholders, thank you for your continued support and confidence in the Group.

Tan Sri Dato' Tan Hua Choon
Chairman

PROFILE OF BOARD OF DIRECTORS

Tan Sri Dato' Tan Hua Choon

Aged 75 • Malaysian
Non-Independent Non-Executive Director, Chairman

Tan Sri Dato' Tan was appointed to the Board of GBH on 8 July 2008 as a Non-Independent Non-Executive Director. On 16 October 2009, he was re-designated to the position of Managing Director and was appointed as Chairman of the Board's Remuneration Committee. He was appointed as Chairman of the Board with effect from 15 April 2010. On 1 June 2013, Tan Sri Dato' Tan relinquished his position as Managing Director and remained as a Non-Executive Chairman.

Tan Sri Dato' Tan is a self-made businessman with vast experience in various fields and industries. He has been involved in a wide range of businesses which include manufacturing, marketing, banking, shipping, property development and trading.

He has built-up investments in numerous public listed companies. He is also the Chairman of the Board of Jasa Kita Berhad, JKG Land Berhad, Marco Holdings Berhad and FCW Holdings Berhad.

Dato' Ismail Bin Hamzah

Aged 70 • Malaysian
Independent Non-Executive Director

Dato' Ismail was appointed as an Independent Non-Executive Director of the Company on 15 January 2013. He was also appointed as Chairman of the Audit Committee and Nomination Committee, the Senior Independent Non-Executive Director and a member of the Remuneration Committee on the same date.

Dato' Ismail graduated from the University of Malaya in 1970 with a Bachelor of Economics (Honours) in Analytical Economics. He held many key positions in governmental agencies, and has many years of experience in various aspects from economics to finance. He also serves on the Board of GUH Holdings Berhad, Engtex Group Berhad, SCC Holdings Berhad and JKG Land Berhad.

Brig. Jen. Dato' Mior Azam Bin Mior Safi (Rtd)

Aged 71 • Malaysian
Independent Non-Executive Director

Brig. Jen. Dato' Mior was appointed as a Non-Independent Non-Executive Director of GBH on 24 September 2001. His Board position was changed to Independent Non-Executive Director on 1 October 2009. He holds a Diploma in Management Science and held the position of Director of Defence Logistics Planning at The Malaysian Armed Forces Headquarters from 1996 to 1999. He retired in 2000, with the rank of Brig. Gen. as Assistant Chief of Staff, Defence Logistics at The Malaysian Armed Forces Headquarters. He is currently also a director of Metal Reclamation Bhd as well as several other private companies.

PROFILE OF BOARD OF DIRECTORS (CONT'D)

Aminuddin Yusof Lana

Aged 67 • Malaysian
Independent Non-Executive Director

En. Aminuddin was appointed as Director of the Company and a member of the Audit Committee on 16 October 2009. He holds a Bachelor of Commerce and Administration Degree from Victoria University of Wellington, New Zealand. He is a Chartered Accountant of the New Zealand Society of Accountants and an Associate member of the Institute of Chartered Secretaries and Administrators of London and Wales.

He had previously served as Director and later Group Managing Director of Renong Berhad from 1990 to 1994 and as Director and Group Managing Director of Faber Group Berhad from 1990 to 1994. He was the Managing Director of Metacorp Berhad from 1995 to 1996. He was also the Managing Director of UEM Builders Berhad from 2000 to 2004.

Currently, he sits on the Board of PDZ Holdings Bhd, Marco Holdings Berhad and Scomi Oiltools International Limited (Bermuda).

Tang Tat Chun

Aged 51 • Malaysian
Executive Director - Finance

Mr. Tang was appointed to the Board of GBH on 28 May 2007 as a Non-Independent Non-Executive Director. He was then re-designated to the position of Executive Director - Finance on 21 May 2008.

He holds a Bachelor of Business (Accounting) from Australia and he is also a member of CPA Australia and the Malaysian Institute of Accountants. He commenced his career with Ernst & Young (Singapore office) and has held senior positions in internal audit units of several public listed companies involved in industries such as manufacturing, trading, property development and telecommunication. He is also a director of other public companies, namely, Jasa Kita Berhad, FCW Holdings Berhad and several other private companies.

Poh Weng Choon

Aged 65 • Malaysian
Executive Director

Mr. Poh was appointed to the Board of GBH on 1 October 2009. He has been in the timber industry since 1972 and has gained over 35 years of all round experience in manufacturing environment. He was the Assistant Treasurer of Malaysian Wood Industries Association and the President of Selangor & Federal Territory Timber Traders Association ("SFTTA") from 2005 until 2007. He is also a Director of GPA Holdings Berhad.

PROFILE OF BOARD OF DIRECTORS (CONT'D)

Lai Sze Pheng

Aged 55 • Malaysian
Executive Director

Mr. Lai was appointed to the Board of GBH on 30 March 2010. He holds a Bachelor of Science Degree in Business Administration from U.S.A. Upon graduation, he started his career as an auditor at Ernst & Whinney Public Accountants in 1986. He joined PDL Wylex Sdn Bhd (now known as PWE Industries Bhd) which involved in the manufacturing and distribution of electrical accessories, and held various positions during the period from 1987 to 1990.

Mr. Lai joined Hume Industries Malaysia Berhad (a member of the Hong Leong Group) in mid 1990 and held various senior positions with the last position as Chief Operating Officer. He spent 17 years with the said group, managing a diverse business in manufacturing and distribution of building materials, and has gained vast experience in both marketing and manufacturing sectors. During his tenure with Hume Industries Malaysia Berhad, he was involved in a wide range of assignment covering general management, new business development and new business set up.

In 2007, he joined Malaysian Mosaic Berhad, a company involved in the manufacturing and distribution of ceramic tiles as the Director of Sales & Marketing.

He is currently assuming the position of Executive Director in Goh Ban Huat Berhad Group, managing the day to day operations of the Group's business activities. He is also a Director of FCW Holdings Berhad and various private companies.

Dato' Sri Tan Han Chuan

Aged 49 • Malaysian
Executive Director

Dato' Sri Tan was appointed to the Board of GBH on 15 April 2010. He holds a Bachelor of Science degree in Business Administration, majoring in Finance and Operations from Boston University, U.S.A. Dato' Sri Tan joined Jasa Kita Trading Sdn Bhd, a wholly-owned subsidiary of Jasa Kita Berhad, in 1991 and has since been involved in the management of the Jasa Kita Berhad Group. He is also Director of Jasa Kita Berhad, JKG Land Berhad and various private companies.

FURTHER INFORMATION ON THE BOARD OF DIRECTORS:

- **Family Relationship**

Tan Sri Dato' Tan Hua Choon, the major shareholder of the Company, is the father of Dato' Sri Tan Han Chuan.

There is no family relationship among the other Board members.

- **Conflict of Interest**

None of the Directors have any conflict of interest with the Company.

- **Conviction of Offences**

None of the Directors have been convicted of any offence within the past 10 years, other than traffic offence, if any.

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors of Goh Ban Huat Berhad is pleased to report on how the Group has adopted the principles and guidelines set out in the Malaysian Code on Corporate Governance 2012 ("the Code") and the extent of compliance with the requirements with regard to corporate governance under Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR"), with the aim of ensuring board effectiveness towards the Group's on-going growth and enhancement of shareholders' value.

A. BOARD OF DIRECTORS

The Board

The Board has overall responsibility in the stewardship of the Group's direction with the role of overseeing the conduct and performance of the Group's businesses and operations.

Board Balance

The Board has eight members comprising a Non-Executive Chairman, four Executive Directors and three Independent Non-Executive Directors.

The Board has clear segregation of roles and responsibilities between the Chairman of the Board and the Executive Directors to ensure that there is a balance of power and authority in the Group.

The Chairman of the Board plays the role of guiding and overseeing the Board to ensure that the Board functions effectively as well as practises good governance, and to ensure the Board fulfills its obligation set out in the Board Charter; whilst the Executive Directors are tasked to oversee the running of business and operations of the Group in fulfilling the Group's business objectives, and to ensure management and organisational effectiveness towards achieving the Group's business plans and goals. The Executive Directors communicate with the Management, delegate authorities to the Management and monitor such delegated authorities, oversee and evaluate the implementation of policies, business planning and strategies carried out by the Management. An Executive Director, Dato' Sri Tan Han Chuan is the son of the Non-Executive Chairman, Tan Sri Dato' Tan Hua Choon. Notwithstanding such relationship, the Chairman conducts meetings impartially and reviews matters raised by the Executive Directors objectively.

The Board has established clear roles and responsibilities in discharging its fiduciary and leadership functions. The principal functions and responsibilities of the Board are set out in the Board Charter published in the Company's website.

There is delineation of duties and responsibilities between the Board of Directors and the Management. The Board focuses on the Group's overall strategic direction and policies, and reviews on business development and diversifications; whilst the Management is responsible for the implementation and execution of the decisions and policies made by the Board, managing the manpower and resources and the running of day-to-day business operations.

The three Independent Non-Executive Directors sitting on the Board, on the other hand, play the important role of check and balance by bringing objective assessment towards the Group's business activities and strategies and to ensure that the Group adheres to good corporate governance. The Board is convinced that the Independent Directors, who are independent of management and free from any business or other relationship which could interfere their exercise of independent judgement, are able and willing to act in all respect for the best interests of the Shareholders.

The Code recommends that the board of directors of a public listed company should comprise of majority of independent directors where the chairman of the board is not an independent director. The Board of Directors of the Company, whose Chairman is a Non-Independent Non-Executive Director notwithstanding, is of the opinion that the Independent Directors which currently exists is adequate to provide assurance that there is an element of independence in the Board's decision.

The Board also acknowledges the importance of Boardroom diversity, including gender, ethnicity and age. The Board considers its current composition with the mix of skills and expertise sufficient and optimum for it to discharge its duties and responsibilities effectively. Board members are appointed based on their experience, qualifications and suitability for the position, the Board's Nomination Committee does not discriminate against gender, race or age. A brief profile of each Director is presented from pages 7 to 9 of this Annual Report.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

A. BOARD OF DIRECTORS (CONT'D)

Board Charter

The Board has formalised and adopted a Board Charter which sets out the roles and responsibilities of the Board and its committees, and serves as a general statement of intent and expectation as to how the Board will discharge its duties and responsibilities. A copy of the Board Charter is available at the Company's website at <http://www.gbhgroun.com.my>.

The Board will review its Charter as and when necessary to align with the changing environment and regulation updates affecting the Group objectives.

Code of Conduct

The culture of proper behavior and ethical conduct by employees within the Company and the Group had been observed via employee handbooks, company's rules and regulations, system of internal controls, operating procedures, guidance from the Board and top management and also values inferred from past practices in carrying out the business operations. Nevertheless, the Board is committed to and will formalise a set of Code of Conduct to serve as a formal and explicit guide to uphold a high standard of ethical values and conducts.

Board of Directors' Meetings

The Board is mindful of the importance of devoting sufficient time to carry out their responsibilities and regularly updating their knowledge and enhancing their skills. The Directors endeavour to commit sufficient time as and when required to discharge their responsibilities.

The Board members meet to review and discuss matters specifically reserved to the Board for decision to ensure that the direction and control of the Group is firmly in its hands. Key matters tabled at Board meetings include review and adoption of the Group's quarterly and year-end financial results, business plan, annual budget, assets acquisition, approval on major capital expenditure projects and consideration of significant financial matters, Group policies and delegated authority limits.

There were two Board of Directors' Meetings held during the financial year ended 31 March 2016. The details of attendance of each individual Director are as follows:

Name of Directors	Date of Board Meeting	
	28 May 2015	25 Nov 2015
Tan Sri Dato' Tan Hua Choon	√	√
Dato' Ismail Bin Hamzah	√	√
Brig. Jen. Dato' Mior Azam Bin Mior Safi (Rtd)	√	√
Aminuddin Yusof Lana	√	√
Dato' Sri Tan Han Chuan	√	-
Lai Sze Pheng	√	√
Tang Tat Chun	√	√
Poh Weng Choon	√	√

Note:

- √ Present
- Absent

Board Committees

The Board has delegated specific responsibilities to three sub-committees, namely Audit Committee, Nomination Committee and Remuneration Committee. These committees have the authority to examine and approve particular issues and/or report to the Board with recommendations. The ultimate responsibility for the final decision, however, lies with the Board.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

A. BOARD OF DIRECTORS (CONT'D)

Board Committees (cont'd)

(i) Audit Committee

The Audit Committee report is presented on pages 20 to 21 of this Annual Report.

(ii) Nomination Committee

The Nomination Committee of GBH was established on 28 November 2005 and is delegated with specific tasks as set out in its terms of reference, a copy of which is made available at the Company's website at www.gbhgroup.com.my.

The key function of the Nomination Committee is to oversee the process of selection and assessment of Directors and to ensure Board composition and its mix of skills, experience and core competencies meet the requirements of the Group; and to assist the Board in reviewing and evaluating annually the effectiveness of the Board as a whole, Board Committees and performance of individual directors.

The Nomination Committee comprises the following members:

- (1) Dato' Ismail Bin Hamzah (*Independent Non-Executive Director*)
- (2) Brig. Jen. Dato' Mior Azam Bin Mior Safi (Rtd) (*Independent Non-Executive Director*)

Details of attendance of Nomination Committee

The Nomination Committee shall meet at least once a year. There was one Nomination Committee Meeting held during the financial year ended 31 March 2016 with full attendance of its members.

(iii) Remuneration Committee

The Remuneration Committee was established on 28 November 2005 and is delegated with specific tasks as set out in its terms of reference.

The Remuneration Committee comprises the following members:

- (1) Tan Sri Dato' Tan Hua Choon (*Non-Independent Non-Executive Director, Chairman*)
- (2) Dato' Ismail Bin Hamzah (*Independent Non-Executive Director*)

The Remuneration Committee reviews the remuneration packages and benefits accorded to the Executive Directors as well as the Non-Executive Directors' remunerations on an annual basis. For Executive Directors, the component parts of remuneration are structured to link rewards to corporate and individual performance whilst the remuneration of the Non-Executive Directors is determined in accordance with their experience and the level of responsibilities assumed. Fees payable to all Directors are proposed at the Annual General Meeting for the shareholders' approval.

Details of attendance of Remuneration Committee

The Remuneration Committee shall meet at least once a year. There was one Remuneration Committee Meeting held during the financial year ended 31 March 2016 with full attendance of its members.

Details of Directors' Remuneration

Details of Directors' remuneration for the financial year ended 31 March 2016, distinguishing between Executive and Non-Executive Directors in aggregate, with categorisation into appropriate components are set out below:

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

A. BOARD OF DIRECTORS (CONT'D)

Board Committees (cont'd)

(iii) Remuneration Committee (cont'd)

Details of Directors' Remuneration (cont'd)

- i. The aggregate remuneration of Directors of the Company, categorised into appropriate components are as follows:

TYPE OF REMUNERATION	EXECUTIVE DIRECTORS (RM)	NON-EXECUTIVE DIRECTORS (RM)
Fees	170,000	45,000
Other emoluments	3,500	5,000
Directors' remuneration & other emoluments	653,050	-
Bonus current year's & provision	174,415	-
Defined contribution plans	101,167	-
Total	1,102,132	50,000

- ii. The number of Directors of the Company whose total remunerations fall in each successive bands of RM50,000 are as follows:

BAND OF REMUNERATION (RM)	NUMBER OF DIRECTORS	
	EXECUTIVE DIRECTORS	NON-EXECUTIVE DIRECTORS
50,000 and below	-	3
50,001 to 150,000	1	1
150,001 to 200,000	-	-
200,001 to 250,000	1	-
250,001 to 300,000	1	-
300,001 to 350,000	1	-

Appointments to the Board

The Board appoints its members through a formal and transparent selection process which is consistent with the Articles of Association of the Company. Such process has been reviewed and adopted by the Board. The Company Secretaries will ensure that all appointments are properly made, and that legal and regulatory requirements are complied with.

Appointments of new Directors will first be considered and evaluated by the Nomination Committee, after which appropriate recommendations will be put forward to the Board for its consideration and approval.

Criteria adopted by the Nomination Committee in the selection process includes the candidate's background, qualification, skill, experience, time commitment; and whether the potential candidates have any conflict of interest with the Group or with any existing individual director.

In addition to the above, the criteria as set out in the Code and the MMLR with regard to the definition of Independence will also be considered in the case of appointment of independent directors.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

A. BOARD OF DIRECTORS (CONT'D)

Assessment of Board Effectiveness

The Board reviews the required mix of skills, experience, time commitment, contribution (collectively and individually), integrity, and other qualities, including core competencies which the Non-Executive Directors should bring to the Board. Individual Director who is the subject of evaluation is to abstain from such deliberation.

A formal performance evaluation is carried out on the Board as a whole, Board Committees and Individual Directors on an annual basis. The Nomination Committee sets out all the criteria of assessment in the prescribed forms designed to fulfill the respective objectives of the evaluation.

Effectiveness of the Board is assessed based on its size and structure, mix of skills, experience and qualities, effectiveness of Board meetings, frequency of Board meetings and other considerations.

In addition to the criteria above, other criteria such as nature and extent of function performed are also taken into consideration in assessing the effectiveness of the Board Committees.

Performance of individual directors is assessed based on their character, experience, level of integrity, core competencies, contributions towards Board deliberations and various meetings held and whether they have contributed sufficient time to effectively discharge their duties and responsibilities. The Executive Directors, particularly, are assessed further on their contribution towards the Group's business development and growth, their leadership and management skills, and results on any specific areas which the Executive Directors are expected to achieve.

The collective view based on ratings given by the members of Nomination Committee together with the minutes of the Nomination Committee will be tabled to the Board for notation and further consideration.

Reinforce Independence

The Board reviews the element of independence amongst its Independent Directors annually, albeit its Independent Directors fulfill the test of independence as set out in the MMLR. The Board also ensure the acts of its Independent Directors have indeed given effect to the spirit, intention and purpose of the definition of independence.

During the financial year, the Board had conducted separate assessments on the three Independent Directors of the Company and concluded that each of them had continued to fulfill the test of independence as set out in the MMLR. The Board affirms that each of the Independent Directors had exercised due care in discharging their responsibilities and had demonstrated independent judgement and brought objective and constructive views to Board deliberations and decision making. The Board is satisfied with the level of independence demonstrated by the three Independent Directors.

The Board noted the point for independent directors to serve for not more than nine years as recommended by the Code. In the case of the Company, none of the independent directors has served for more than 9 years.

Dato Mior Azam Bin Mior Safi, who is an Independent Director, joined the Board in September 2001 as Non-Independent Non-Executive Director as representative of a substantial shareholder, LTAT. He was re-designated as an Independent Director in September 2009 when LTAT ceased to be a substantial shareholder.

Notwithstanding the above, the Board does not fix a term limit for its Independent Directors as the Board assesses the level of independence of such Directors based on the perceived credentials and ability of them to serve independently and effectively in the best interest of the shareholders rather than the length of their service tenure with the Company.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

A. BOARD OF DIRECTORS (CONT'D)

Re-election of Directors

In accordance with the Company's Articles of Association, one-third of the Directors for the time being, or, if their number is not a multiple of three, then the number nearest to but not exceeding one-third shall retire from office and be eligible for re-election and an election of directors shall take place each year PROVIDED ALWAYS that all Directors including the Managing Director shall retire from office at least once in each three years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

In accordance with the Company's Articles of Association, the directors shall have power at any time, and from time to time, appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing directors, but so that the total number of directors shall not at any time exceed the number fixed in accordance with the Articles. Any director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation at that meeting.

Directors who are seventy years of age and above shall retire from office at each Annual General Meeting but shall be eligible for re-appointment in accordance with Section 129(6) of the Companies Act, 1965.

Supply of Information

All the Directors are provided with a set of Board papers consisting of the agenda and all other relevant materials prior to the Board Meetings or Committee Meetings in a timely manner seven days prior to the meeting(s) or any other time frame agreed with the Board when necessary, to ensure the Directors receive sufficient relevant information and to allow sufficient time for their detailed review and consideration so as to enable them to participate effectively in the Board's decisions. Board papers are comprehensively prepared covering aspects such as Group financial performance, business plans and proposals, quarterly result announcements, proposed policies and procedures, operational issues and updates on statutory regulations and requirements affecting the Group if any.

Besides, the Board would also be provided with texts of any corporate announcements to be released to Bursa Securities and kept informed of any new legislation, rules and regulations issued by the various regulatory authorities, where relevant. The Board would also be served on quarterly basis, notices relating to closed-periods for trading in the Company's shares pursuant to the MMLR.

Whenever necessary, members of the Management or external advisers are invited to attend Board meetings to explain and clarify matters within their competencies in order for the Board to make informed decisions.

Minutes of various Board Committees meetings duly confirmed as the correct proceedings are circulated to all Board members from time to time for their notation.

All incoming correspondences from external parties or relevant authorities addressed to the Board of Directors as a whole or specifically to any individual director but sent to the Company's registered office, are forwarded to all Board members or the respective individual director on a timely basis.

Board Access to Management, Company Secretary and Independent Professional Advisers

The Directors as a full Board or in their individual capacity have access to all information relating to the Group as well as unrestricted access to the advice of the senior management and the Company Secretaries. The Directors may also engage independent professional services, at the Company's expense, where necessary.

Senior Managers are expected to provide clear and in depth information relating to the Group's business affairs whenever it is requested by the Board or its various Committees members to enable them to discharge their duties effectively to arrive at informed decisions.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

A. BOARD OF DIRECTORS (CONT'D)

Board Access to Management, Company Secretary and Independent Professional Advisers (cont'd)

The Company Secretaries are suitably qualified and are members of professional body. The Company Secretaries play a supporting role to the Board to ensure the Company's compliance with the MMLR and other rules and regulations whichever applicable to the Company. The Secretaries also ensure that adequate and accurate records of proceedings of Board meetings and circular resolutions passed are taken and maintained in the statutory books of the Company.

Directors' Training

All Directors have attended the Mandatory Accreditation Programme in compliance with the MMLR.

The Directors also undergo various training programmes on a continuous basis to further enhance their skills and knowledge to assist them in discharging their duties and to keep abreast with the latest development in the marketplace.

Conferences, seminars and training programmes attended by the Directors during the financial year ended 31 March 2016 are as follows:-

Title	Area of Focus
1. Independence Director Programme: The Essence of Independence	Corporate Governance
2. New Companies Bill – Latest Updates and Development	Company Law
3. Today's Synergy Tomorrow's Reality – MIA Conference 2015	Accounting Development
4. Corporate Governance Breakfast Series: Future of Auditor Reporting – The Game Changer for Boardroom	Corporate Governance
5. In Lead the Change: Women on Boards	Corporate Governance
6. Implementing Investor Relation Strategies	Investor Relation
7. Board Chairman Series: Tone from the Chair and Establishing Boundaries	Corporate Governance

Corporate Social Responsibility

We are committed in ensuring that our operations have minimal impact on the environment as well as protecting the safety and health of all our employees and stakeholders.

The Group has developed and established occupational safety and health practices to ensure a safe working environment for our employees. The Group is also committed to implementing procedures to ensure that our operations are conducted and performed in compliance with existing laws, regulations and standards. The Group does not have diversity policy for its workforce but is committed to provide an environment where all staff, regardless of age, gender, race and religion, will have equal opportunity to perform, excel and work together in achieving organisational goals.

We operate a waste water treatment plant in compliance with the Department of Environment guidelines to ensure that waste water is treated before being discharged. We have taken a step further by re-cycling the treated water for use in our manufacturing operations.

Our clay pipes are environmental friendly as they are made 100% from clay and do not contaminate when installed in the ground for sewerage infrastructure and we have also formulated a process to reduce the weight of our pipes and the amount of clay used.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

A. BOARD OF DIRECTORS (CONT'D)

Corporate Social Responsibility (cont'd)

We have reformulated the compound in the rubber sealing rings used for the pipes, which conforms to environment friendly specification EN681, are ozone resistant and do not produce chemical reactions when exposed to sun light.

The flushing mechanisms in our sanitary ware products have features emphasizing water conservation, in particular the use of the dual flush system and waterless urinals. Other than the local market, we supply waterless urinal to Australia. This is in line with green and water conservation initiatives promoted by the government.

These were some of the key activities undertaken during the year ended 31 March 2016.

B. SHAREHOLDERS

Dialogue between Company and Investors

The Board of Directors acknowledges the need for shareholders to be informed of all material business matters affecting the Group and as such, maintains a constructive communication policy, which enables the Board and the Management to communicate effectively with the shareholders and the investing public generally. In this regard, the Board is committed in ensuring that any public disclosures regarding the business, operations and financial performance of the Group are accurate, timely, factual, informative, consistent and broadly disseminated.

The Board observes timely release of quarterly financial results and corporate proposal announcements to the public via the Bursa Link and the press (where appropriate). Annual reports and circulars to shareholders are also despatched to the shareholders on a timely basis to ensure that shareholders have sufficient time to peruse through the documents before the relevant meeting dates.

The Group's corporate information including all announcements made to the public can also be accessible via the Company's website, www.gbgroup.com.my.

General Meeting of Shareholders

The Annual General Meeting ("AGM") of the shareholders of the Company represents the principal forum for dialogue and interaction between the Board and the shareholders, during which the shareholders are given the opportunity to raise questions pertaining to the resolutions tabled thereat or business activities of the Group as well as to communicate their expectations and concerns of the Group.

Extraordinary General Meeting ("EGM") is held as and when shareholders' approvals are required on specific matters. Notices of AGM and EGM are sent out to the shareholders within a reasonable and sufficient time frame and are published in a nationally circulated newspaper. A press conference may be held after each AGM or EGM of the Company, if necessary.

Summary of key matters discussed at general meetings of shareholders will be published onto the Company's website as soon as practicable after the conclusion of the meeting(s).

Any query and concern pertaining to the Group may be conveyed to Dato' Ismail Bin Hamzah, the Senior Independent Non-Executive Director of the Company via fax no. +603-4043 6750 or via the Company's website or by mail to the registered office of the Company.

C. ACCOUNTABILITY AND AUDIT

i. Financial Reporting

The aim of the Directors in relation to financial reporting is to present a clear, balanced and comprehensive assessment of the Group's position and prospects primarily through its annual financial statements and quarterly financial results to its shareholders and investing public.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

C. ACCOUNTABILITY AND AUDIT (CONT'D)

i. Financial Reporting (cont'd)

In this respect, the Board is assisted by the Audit Committee in reviewing and overseeing the Group's financial reporting process to ensure correctness and adequacy before tabling the financial statements and quarterly results to the Board for further review prior to announcement or presentation to the shareholders at AGM. The statement by Directors pursuant to Section 169 (15) of the Companies Act, 1965 is set out on page 29 of this Annual Report.

ii. Internal Control

The Directors acknowledged their responsibility for the Group's system of internal controls covering not only on financial aspect but also operational and compliance as well as risk management.

The Statement on Risk Management & Internal Control is set out on pages 22 to 23 of this Annual Report and this provides an overview of the state of internal controls within the Group.

The Board's Audit Committee has an oversight role towards the internal audit function of the Group. The Audit Committee reviews the adequacy of the scope, function, competency and resources of the internal audit function as well as setting performance standards of the internal audit function. The Audit Committee also takes cognizance of the resignations of any members of the internal audit function, and reasons for resigning.

iii. Relationship with External Auditors

The Company maintains a transparent and professional relationship with the Company's auditors in seeking their professional advice towards ensuring compliance with the accounting standards. Key features underlying the relationships of the Auditors through the Audit Committee are described on pages 20 to 21 of this Annual Report.

The Board's Audit Committee monitors the suitability and independence of the External Auditors, and periodically benchmarks the cost and scope of the external audit engagement.

The External Auditors had confirmed that they had been independent throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements and that a written assurance on independence of the External Auditors had been obtained during the financial year.

The External Auditors are invited to the AGM of the Company and are available to answer to Shareholders' questions with regard to the financials and contents of the audit report.

The External Auditors are appointed to hold office until the conclusion of the next AGM following their appointment, and will be subjected to re-appointment by the Shareholders at the said AGM. The External Auditors of the Group have been re-appointed for four consecutive years, and they have indicated their willingness and consent to accept re-appointment as Auditors of the Company at this AGM.

The External Auditors can also be engaged by the Company to perform non-audit services at a fee to be agreed upon from time to time, which services are not perceived to have any conflict with their role as the Group's External Auditors.

D. OTHER INFORMATION

In compliance with Bursa Securities MMLR

1. Non-Audit Fees

Non-audit fees incurred by the Group and by the Company during the financial year ended 31 March 2016 and payable to the external auditors and firm affiliated to the external auditors of the Company amounted to RM42,926.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

D. OTHER INFORMATION (CONT'D)

2. Material Contracts Involving directors, chief executive who is not a director or major shareholders' Interests

There were no material contracts entered into by the Group which involved directors, chief executive who is not a director or major shareholders' interests during the reporting financial year ended 31 March 2016.

3. Related Party Transactions

The details of the transactions with related parties undertaken by the Group during the financial year ended 31 March 2016 are disclosed in Note 30 to the audited financial statements on pages 75 to 76 of this Annual Report.

E. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required by the Companies Act, 1965 (the "Act"), to ensure that financial statements of the Company and the Group for each financial year are drawn up in accordance with the applicable approved accounting standards of Malaysia and the provision of the Act so as to give a true and fair view of the Company and the Group's affairs, results and cash flow position for the financial year ended 31 March 2016.

The Directors consider that in preparing the financial statements for the financial year ended 31 March 2016, the GBH Group had used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed.

The Directors are also responsible for ensuring that the GBH Group keeps adequate accounting records, which disclose with reasonable accuracy the financial position of the GBH Group at any point of time. In addition, the Directors have taken steps to safeguard the assets of the GBH Group, to prevent and detect fraud and other irregularities.

AUDIT COMMITTEE REPORT

The Board of Directors of Goh Ban Huat Berhad ("GBH") is pleased to present the Report of GBH Audit Committee ("the Audit Committee") for the financial year ended 31 March 2016 as follows:-

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee comprises three members, namely:

Chairman

Dato' Ismail Bin Hamzah (Independent Non-Executive Director)

Members

Brig. Jen. Dato' Mior Azam Bin Mior Safi (Rtd) (Independent Non-Executive Director)

Aminuddin Yusof Lana (Independent Non-Executive Director)

SUMMARY OF WORK

During the financial year ended 31 March 2016, the Audit Committee had carried out work in accordance with its terms of reference, which are summarised as follows:

- a. Reviewed the quarterly financial results announcements of the Group prior to seeking the Board's approval before releasing the results to Bursa Securities.
- b. Reviewed together with the Management and the External Auditors, the audit findings in respect of the audit of the financial statements of the Group for the financial period ended 31 March 2015.
- c. Reviewed the financial statements of the Group with the external auditors for the financial period ended 31 March 2015 to ensure adequacy of disclosure of information essential to a fair and full presentation of the financial affairs of the Group for recommendation to the Board for approval of submission to Bursa Malaysia Securities Berhad and Securities Commission and for the presentation to the Shareholders.
- d. Reviewed for any provisions, write-offs and capital expenditures required to be made during each quarter of the financial year.
- e. Reviewed the inter-company transactions and any related/interested party transactions that may arise within the Company and the Group to ensure compliance with Approved accounting standards, Listing Requirements of Bursa Securities and requirements of other relevant authorities.
- f. Met with the external auditors without the presence of the Executive Directors and management team on 28 May 2015 and 25 February 2016 to discuss on matters relating to integrity of management and financial reporting. The Audit Committee had during the discussions, confirmed with the External Auditors that there had been no issue of any fraud nor suspected fraud affecting the Group that had come to the knowledge of the Audit Committee.
- g. Reviewed the external audit planning in respect of the Group's audit exercise for the financial year ended 31 March 2016.
- h. Assessed the adequacy and effectiveness of the system of internal control in respect of the Purchases of Imported Sanitary Ware Products and Inventory Management of Bathroom Products by reviewing internal audit reports, audit findings, recommendations for improvement and management's responses thereto, and agreed action in rectifying weaknesses.
- i. Reviewed the level of operations of the Group and related compliance issues.

AUDIT COMMITTEE REPORT (CONT'D)

The details of attendance of Audit Committee Members at the Audit Committee Meetings held during the financial year ended 31 March 2016 are as follows:-

Audit Committee Members	Date of Audit Committee Meeting			
	28 May 2015	21 Aug 2015	25 Nov 2015	25 Feb 2016
Dato' Ismail Bin Hamzah	√	√	√	-
Brig. Jen. Dato' Mior Azam Bin Mior Safi (Rtd)	√	√	√	√
Aminuddin Yusof Lana	√	√	√	√

Note:

- √ Present
- Absent

INTERNAL AUDIT FUNCTION

The role of the internal audit function is to provide independent and objective reports on the state of internal control, compliance to policies, procedures and statutory requirements, the extent the Group's assets are accounted for and safeguarded, and any improvements to operations, processes and control systems. These report findings together with the related recommendations are reported to the Audit Committee.

The total cost incurred for the Group's internal audit function in respect of the financial year ended 31 March 2016 was RM69,000. The activity of the internal audit function is detailed in the Statement on Risk Management & Internal Control on pages 22 to 23 of this Annual Report.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

In compliance with Paragraph 15.26(b) of Bursa Securities Main Market Listing Requirements and the "Statement on Risk Management & Internal Control - Guidelines for Directors of Public Listed Issuers", the Board is pleased to present the Statement on Risk Management and Internal Control which outlines the nature and scope of risk management and internal control of the Group during the financial year ended 31 March 2016.

1. Board's Responsibility

The Board recognizes its overall responsibility for the adequacy and effectiveness of the risk management framework and system of internal controls within the Group. However, the Board is equally aware that such systems and processes are designed to manage the Group's risks within an acceptable risk appetite, rather than eliminate the risk of failure to achieve the policies, goals and objectives of the Group. In this regard, the risk management framework and internal control system can only provide reasonable assurance, and not absolute assurance against material misstatement of financial information and records or against financial losses or fraud.

The Board, through its Audit Committee, reviews the adequacy and effectiveness of the risk management and internal control system in relation to the internal audits conducted. The internal audit observations, together with Management's response and propose action plans are presented to the Audit Committee on a quarterly basis. In addition, the review of the internal audit reports is part of the agenda of the Board meeting.

2. Risk Management Framework

The Group adopts an enterprise wide risk management approach and all the active businesses of the companies within the Group are considered and categorized in accordance with their main functional activities. This process has been in place for the financial year under review and up to the date of approval of the annual report and financial statements.

The main features of the risk management process are as follows:

- Establish the context of risk in relation to the Group's risk appetite;
- Risk identification includes consideration of both internal and external environmental factors;
- Assess the potential impact and likelihood of the risks identified and hence their risk levels;
- Assess the adequacy and effectiveness of existing controls for risk treatment; and
- Monitor and review risk mitigating measures, risk levels and emerging risks.

All the risks identified and mitigating measures are documented into a "Business Risk Profile". The Business Risk Profile of the Group is updated on an ongoing basis and approved by the Board.

The Business Risk Profile serves as a tool for the heads of department/business unit for managing key risks applicable to their areas of business. All key risks and issues are regularly reviewed and resolved by the Management team at regular meeting. Through these mechanisms, key risks identified in the Business Risk Profile are assessed in a timely manner and control procedures are re-evaluated accordingly in order to ensure that the key risks are mitigated to an acceptable level.

The Internal Audit Function reviews the effectiveness and adequacy of control procedures adopted by the company on a regular basis in mitigating the key risks identified in the Business Risk Profile. Any weaknesses noted during the audit review are reported to the Audit Committee. Through these mechanisms, the Audit Committee can be assured that the key risks of the company are regularly reviewed and appropriately managed to an acceptable level.

3. System of Internal Controls

The key elements of the Group's system of internal controls that the Board has established in reviewing the adequacy and effectiveness of the risk management and internal control system are as follows:

- The Group has an appropriate organizational structure for planning, executing, controlling and monitoring business operations in order to achieve the Group's business objectives. Lines of responsibility and delegations of authority are clearly defined.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL (CONT'D)

3. System of Internal Controls (cont'd)

- To ensure the uniformity and consistency of practices and controls within the Group, Standard Operating Procedures have been formalized and documented for the key business processes.
- The Standard Operating Procedures are subjected to review and improvement alongside the internal audit review of the selected area of operations.
- Clearly defined authorization levels for all aspects of the business. These authorization levels are properly formalized in the Group's Standard Operating Procedures.
- Business units prepare an annual business plan and budget and present it to the Board for approval. Any variances of actual performance against budget are monitored and reported on a monthly basis to Management and quarterly to the Board. Appropriate actions are devised to address any areas of concerns arising from the regular review.
- Financial results are prepared and presented to Management and to the Board and Audit Committee in a timely manner for effective monitoring and decision making.
- The Executives Directors act as the channel of communication between Board and the Management. The Executive Directors are empowered to manage the businesses of the Group and implement the Board's directives and policies.
- Appropriately qualified management personnel are responsible for the operation and monitoring of effective internal control. In addition, key job functions are properly segregated.
- The Group engages the services of an internal audit function which provides independent assurance on the effectiveness of the Group's system of internal controls and advise the Management on areas for improvement.
- The Audit Committee meets at least four times a year. The Committee meets with the internal auditors and external auditors regularly to review their reports. The Audit Committee reviews the actions taken to rectify the findings in a timely manner, and to evaluate the effectiveness and adequacy of the Group's internal control systems.

Through the establishment of sound internal control, which includes monitoring reporting systems, the Board reports that the existing system of internal controls is satisfactory. No material losses have occurred during the financial year under review as a result of weakness in internal control. The board together with management continue to take measures to strengthen the control environment.

The Group's system of risk management and internal control does not apply to its associate company, nonetheless the Group's interests are served through review of management accounts received on monthly basis.

4. Assurance from Management

In accordance with the Statement on Risk Management & Internal Control – Guidelines for Directors of Listed issuers, the Board has received assurance from the Executive Directors that to the best of their knowledge the risk management and internal control system of the Group are operating effectively and adequately, in all material respects, based on the risk management and internal control described above.

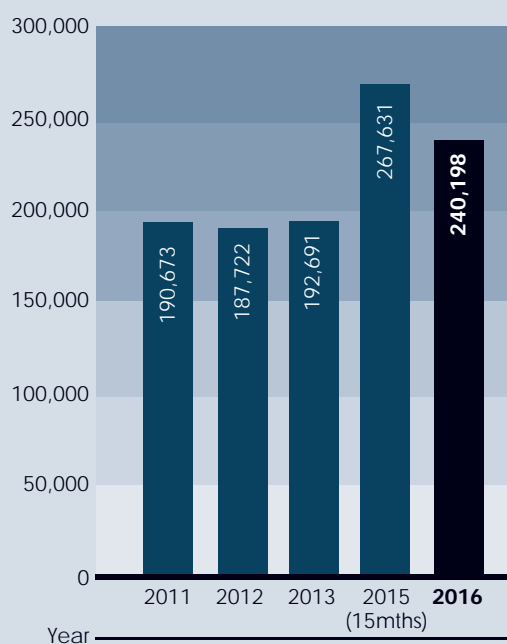
5. Review of the statement by external auditors

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the External Auditors have reviewed this Statement on Risk Management & Internal Control. The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and integrity of internal control system and risk management of the Group.

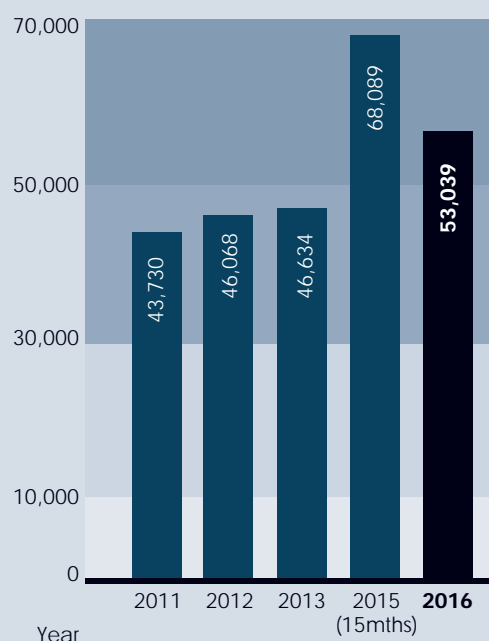
FINANCIAL HIGHLIGHTS

IN RM ('000)	2011	2012	2013	2015 (15 mths)	2016
Group Turnover	43,730	46,068	46,634	68,089	53,039
Group Profit / (Loss) Before Tax	616	(2,950)	5,065	75,610	1,063
Taxation	(1)	(1)	(96)	(758)	(819)
Group Profit / (Loss) After Tax	615	(2,951)	4,969	74,852	244
Non-Controlling Interest	-	-	-	-	(31)
Total Comprehensive Income / (Loss) Attributable to Owners of the Parent	615	(2,951)	4,969	74,784	(131)
Net Dividend	-	-	-	-	27,990
Earning / (Loss) Per Share (Sen) - Basic	0.34	(1.59)	2.67	40.26	0.15
Gross Dividend Rate Per Share (%)	-	-	-	-	15
Net Assets Per Share (Sen)	103	101	104	144	129
Shareholders' fund	190,673	187,722	192,691	267,631	240,198

**SHAREHOLDERS' FUND
(RM'000)**



**GROUP TURNOVER
(RM'000)**



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DIRECTORS' REPORT

for the financial year ended 31 March 2016

The directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2016.

PRINCIPAL ACTIVITIES

The principal activities of the Company are the rental of properties and investment holding. The principal activities of the subsidiary companies are set out in Note 14 to the financial statements. There have been no significant changes in the nature of the activities of the Company and its subsidiary companies during the financial year.

RESULTS

	The Group RM	The Company RM
Profit for the year	243,821	1,119,658

DIVIDENDS

First single-tier interim dividend of 12% per ordinary shares of RM1.00 each amounting to RM22,392,340 in respect of the previous financial period was paid on 25 May 2015.

Second single-tier interim dividend of 3% per ordinary shares of RM1.00 each amounting to RM5,598,085 in respect of the previous financial period was paid on 31 July 2015.

The directors do not recommend any final dividend at the end of the financial year.

SHARE CAPITAL

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

RESERVES AND PROVISIONS

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

DIRECTORS

The directors in office since the date of the last report are:

Tan Sri Dato' Tan Hua Choon
 Dato' Sri Tan Han Chuan
 Lai Sze Pheng
 Tang Tat Chun
 Brig. Jen. Dato' Mior Azam Bin Mior Safi (Rtd)
 Dato' Ismail Bin Hamzah
 Poh Weng Choon
 Aminuddin Yusof Lana

In accordance with the Company's Articles of Association, Dato' Sri Tan Han Chuan and Lai Sze Pheng retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

Tan Sri Dato' Tan Hua Choon, Brig. Jen. Dato' Mior Azam Bin Mior Safi (Rtd) and Dato' Ismail Bin Hamzah retire in accordance with Section 129(2) of the Companies Act, 1965 and a resolution will be proposed at the forthcoming Annual General Meeting for their re-appointment as directors of the Company pursuant to Section 129(6) of the Act to hold office until the conclusion of the next Annual General Meeting.

DIRECTORS' REPORT (CONT'D)

for the financial year ended 31 March 2016

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, the interests of directors in office at the end of the financial year in shares of the Company and its related corporations were as follows:

	No. of ordinary shares of RM1 each			As at 31/3/2016
	As at 1/4/2015	Bought	Sold	
The Company				
Direct interests				
Tan Sri Dato' Tan Hua Choon	119,115,680	-	-	119,115,680

	No. of warrants in the Company			As at 31/3/2016
	As at 1/4/2015	Bought	Sold	
The Company				
Direct interests				
Tan Sri Dato' Tan Hua Choon	46,288,190	-	-	46,288,190
-Warrants 2010/2020				

Other than as disclosed, none of the directors in office at the end of the financial year had any interest in shares of the Company and its related corporations during the financial year.

The above director by virtue of his shareholdings in the Company is also deemed interested in shares of the related corporations to the extent the Company has an interest.

DIRECTORS' BENEFITS

Since the end of the previous financial period, no director has received or become entitled to receive a benefit (other than benefits disclosed as directors' remuneration) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except as disclosed in Note 30 of the financial statements of the Company.

Neither at the end of the financial year, nor at anytime during the financial year, did there subsist any arrangements to which the Company is a party, being arrangements with the object or objects of enabling directors to acquire benefits by means of the acquisition of shares in the Company or shares in, or debentures of any other body corporate.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

- (a) Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to:
- (i) ascertain that proper action has been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and of the Company have been written down to amounts which they might be expected so to realise.

DIRECTORS' REPORT (CONT'D)

for the financial year ended 31 March 2016

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (CONT'D)

- (b) At the date of this report, the directors are not aware of any circumstances:
- (i) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; 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) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (c) As at the date of this report:
- (i) there are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liability of any other person; and
 - (ii) there are no contingent liabilities in the Group or in the Company which have arisen since the end of the financial year.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements misleading.
- (e) No contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.
- (f) In the opinion of the directors:
- (i) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the current financial year in which this report is made.

AUDITORS

The auditors, PCCO PLT, have indicated their willingness to continue in office.

On behalf of the board

TANG TAT CHUN

Kuala Lumpur
Date: 14 June 2016

LAI SZE PHENG

STATEMENT BY DIRECTORS

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

In the opinion of the directors, the financial statements set out on pages 32 to 77 are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2016 and of the financial performance and cash flows of the Group and of the Company for the year then ended.

In the opinion of the Directors, the information set out in Note 33 on page 77 to the financial statements has been compiled in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

Signed in accordance with a resolution of the directors

TANG TAT CHUN

LAI SZE PHENG

Kuala Lumpur
Date: 14 June 2016

STATUTORY DECLARATION

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

I, Tang Tat Chun, being the director responsible for the financial management of Goh Ban Huat Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 32 to 77 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.

TANG TAT CHUN

Subscribed and solemnly declared at Kuala Lumpur, Wilayah Persekutuan on 14 June 2016

Before me:

KAPT (B) AFFANDI BIN AHMAD (W 678)

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

to the members of Goh Ban Huat Berhad (1713-A) (Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Goh Ban Huat Berhad, which comprise statements of financial position as at 31 March 2016 of the Group and of the Company, and 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 year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 32 to 77.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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 2016 and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Reporting on Other Legal and Regulatory Requirements

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

- a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies have been properly kept in accordance with the provisions of the Act.
- b) We are satisfied that the financial statements of the subsidiary companies 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) Our audit reports on the financial statements of the subsidiary companies did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

INDEPENDENT AUDITORS' REPORT

to the members of Goh Ban Huat Berhad (1713-A) (Incorporated in Malaysia)

Other Reporting Responsibilities

The supplementary information set out in Note 33 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other Matters

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

PCCO PLT (LLP0000506-LCA)
No. AF 1056
Chartered Accountants

Kuala Lumpur
Date: 14 June 2016

CHUAH SUE YIN
No. 2540/04/18 (J)
Chartered Accountant

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2016

	NOTE	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
REVENUE	6	53,039,002	68,088,670
COST OF SALES		(42,932,399)	(50,696,054)
GROSS PROFIT		10,106,603	17,392,616
OTHER INCOME		5,689,810	78,502,094
DISTRIBUTION COSTS		(6,065,483)	(6,284,801)
ADMINISTRATION EXPENSES		(9,155,931)	(10,718,027)
OTHER EXPENSES		(1,331,505)	(3,631,938)
SHARE OF PROFITS OF ASSOCIATED COMPANIES		1,819,793	350,224
PROFIT BEFORE TAXATION	7	1,063,287	75,610,168
TAXATION	8	(819,466)	(758,319)
PROFIT FOR THE YEAR/PERIOD		243,821	74,851,849
OTHER COMPREHENSIVE LOSS FOR THE YEAR/PERIOD NET OF TAX			
- Fair value changes in available-for-sale financial assets		(406,436)	(67,770)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR/PERIOD		(162,615)	74,784,079
PROFIT/(LOSS) FOR THE YEAR/PERIOD ATTRIBUTABLE TO:			
OWNERS OF THE PARENT		275,042	74,851,849
NON-CONTROLLING INTEREST		(31,221)	-
		243,821	74,851,849
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR/PERIOD ATTRIBUTABLE TO:			
OWNERS OF THE PARENT		(131,394)	74,784,079
NON-CONTROLLING INTEREST		(31,221)	-
		(162,615)	74,784,079
EARNINGS PER SHARE (sen)			
- basic	9	0.15	40.26
- diluted	9	0.13	34.21

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 March 2016

	NOTE	2016 RM	2015 RM
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	10	2,113,791	10,802,765
Investment properties	11	358,000	366,000
Intangible assets	12	90,636	226,587
Associated company	15	14,600,699	14,198,406
Other investments	16	21,885,527	21,856,014
Investment in deposits	17	-	11,000,000
		39,048,653	58,449,772
CURRENT ASSETS			
Inventories	18	13,958,848	9,881,069
Trade and other receivables	19	18,049,210	25,544,629
Tax recoverable		3,562,407	8,069
Fixed deposit with a licensed bank	20	3,410,853	-
Cash and cash equivalents	21	169,399,214	178,545,799
		208,380,532	213,979,566
TOTAL ASSETS		247,429,185	272,429,338
EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			
Share capital	22	186,602,833	185,912,633
Share premium	22	16,559,513	16,395,676
Retained profits		21,894,612	49,610,410
Other reserves	23	15,141,511	15,711,784
		240,198,469	267,630,503
NON-CONTROLLING INTEREST		969,194	-
TOTAL EQUITY		241,167,663	267,630,503
CURRENT LIABILITIES			
Trade and other payables	25	5,464,563	4,309,694
Taxation		796,959	489,141
		6,261,522	4,798,835
TOTAL LIABILITIES		6,261,522	4,798,835
TOTAL EQUITY AND LIABILITIES		247,429,185	272,429,338

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

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)

for the year ended 31 March 2016

	Attributable to owners of the Parent					
	Share capital RM	Share premium - non distributable RM	Capital reserve - non distributable RM	Warrant reserve - non distributable RM	Fair value adjustment reserve - non- distributable RM	Retained profits/ (accumulated losses) RM
						Non- controlling interest RM
						Total RM
						Total RM
Balance at 1 April 2015	185,912,633	16,395,676	1,118,356	14,661,198	(67,770)	49,610,410
						267,630,503
						- 267,630,503
Issuance of shares						
- Exercise of Warrants	690,200	163,837	-	(163,837)	-	-
2010/2020 (Note 22)						690,200
						- 690,200
Transactions with owners						
- Non-controlling interests' contribution	-	-	-	-	-	1,000,000
- Effects of changes in stake in a subsidiary company (Note 14)	-	-	-	-	(415)	415
- Dividend (Note 31)	-	-	-	-	(27,990,425)	-
						(27,990,425)
Total transactions with owners	-	-	-	-	(27,990,840)	1,000,415
						(26,990,425)
Profit/(loss) for the year	-	-	-	-	275,042	(31,221)
						243,821
Other comprehensive loss that may be reclassified subsequently to profit or loss:						
- Fair value changes in available-for-sale financial assets	-	-	-	-	(406,436)	-
						(406,436)
	-	-	-	-	(406,436)	-
						(406,436)
Total comprehensive loss	-	-	-	-	(406,436)	(31,221)
						(162,615)
Balance at 31 March 2016	186,602,833	16,559,513	1,118,356	14,497,361	(474,206)	21,894,612
						240,198,469
						969,194
						241,167,663

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

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2016

	NOTE	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		1,063,287	75,610,168
Adjustments for:			
Amortisation of intangible assets		135,951	169,939
Amortisation of land use rights		-	37,294
Bad debts written off		84,952	5,000
Depreciation of property, plant and equipment		1,864,024	3,366,926
Depreciation of investment property		8,000	10,000
Dividend income		(369,787)	(8,493)
Impairment loss on property, plant and equipment		1,125,185	-
Income distribution from investment fund		(435,950)	
Interest income		(5,887,267)	(1,366,314)
Inventories written down		1,308,972	386,278
Loss on disposal of an associated company		-	326,818
Loss/(profit) from disposal of property, plant and equipment		1,577,049	(72,911,560)
Profit from disposal of land use rights		-	(3,749,603)
Profit retained in associated companies		(1,819,793)	(350,224)
Property, plant and equipment written off		60,318	38,606
Reversal of allowance for impairment on receivables		(112,069)	(45,000)
Reversal of inventories written down		(399,414)	(470,404)
Unrealised gain on foreign exchange		-	(80,966)
(Loss)/profit before changes in working capital		(1,796,542)	968,465
Working capital changes:			
Inventories		(4,987,337)	186,471
Trade and other receivables		7,522,536	(10,673,446)
Trade and other payables		1,154,869	(2,490,865)
Cash inflows/(outflows) from operations		1,893,526	(12,009,375)
Interest received		5,887,267	1,366,314
Income distribution from investment fund		435,950	-
Dividend received		1,787,100	-
Tax paid		(4,739,400)	(270,120)
Tax refunded		673,415	32,106
Net cash inflows/(outflows) from operating activities		5,937,858	(10,881,075)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

for the year ended 31 March 2016

	NOTE	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from issuance of shares to non-controlling interests		1,000,000	-
Purchase of other investment		(435,950)	(21,867,845)
Dividend received		187	8,493
Proceeds from disposal of property, plant and equipment		4,525,540	187,339,821
Proceeds from disposal of land use rights		-	5,273,644
Purchase of property, plant and equipment		(463,142)	(2,027,109)
Withdrawal/(placement) of fixed deposits		7,589,147	(11,000,000)
Purchase of investment in associated company		-	(14,175,000)
Net cash inflows from investing activities		12,215,782	143,552,004
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(27,990,425)	-
Proceeds from issue of shares – exercise of warrants		690,200	155,600
Net cash (outflows)/inflows from investing activities		(27,300,225)	155,600
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(9,146,585)	132,826,529
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR/PERIOD	21	178,545,799	45,719,270
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD	21	169,399,214	178,545,799

A. SUMMARY OF EFFECT OF ACQUISITION OF SHARES IN A SUBSIDIARY COMPANY

	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Cash in hand	-	2
Net assets acquired and purchase consideration	-	2
Cash in hand acquired	-	(2)
Net cash flow from acquisition of a subsidiary company	-	-

B. SUMMARY OF EFFECT OF DISPOSAL OF SHARES IN A SUBSIDIARY COMPANY

	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Cash and bank balances	-	2
Cost of investment in a subsidiary company	-	(2)
Net cash flow from disposal of a subsidiary company	-	-

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2016

	NOTE	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
REVENUE	6	515,520	192,000
OTHER INCOME		7,027,346	71,911,856
ADMINISTRATION EXPENSES		(3,347,700)	(2,301,301)
OTHER EXPENSES		(3,010,508)	(77,394,624)
PROFIT/(LOSS) BEFORE TAXATION	7	1,184,658	(7,592,069)
TAXATION	8	(65,000)	(262,136)
PROFIT/(LOSS) FOR THE YEAR/PERIOD		1,119,658	(7,854,205)
OTHER COMPREHENSIVE INCOME FOR THE YEAR/PERIOD, NET OF TAX		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR/PERIOD		1,119,658	(7,854,205)
PROFIT/(LOSS) FOR THE YEAR/PERIOD AND TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:			
OWNERS OF THE PARENT		1,119,658	(7,854,205)

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

STATEMENT OF FINANCIAL POSITION

as at 31 March 2016

	NOTE	2016 RM	2015 RM
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	10	429,017	371,810
Investment properties	11	358,000	366,000
Subsidiary companies	14	26,800,002	23,800,004
Other investments	16	1,220	1,220
Investment in deposits	17	-	11,000,000
		27,588,239	35,539,034
CURRENT ASSETS			
Trade and other receivables	19	40,036,180	210,533,073
Tax recoverable		113,506	-
Fixed deposit with a licensed bank	20	3,410,853	-
Cash and cash equivalents	21	153,222,619	5,097,275
		196,783,158	215,630,348
TOTAL ASSETS		224,371,397	251,169,382
EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			
Share capital	22	186,602,833	185,912,633
Share premium	22	16,559,513	16,395,676
Retained profits		4,312,923	31,183,690
Other reserves	23	16,754,449	16,918,286
TOTAL EQUITY		224,229,718	250,410,285
CURRENT LIABILITIES			
Trade and other payables	25	141,679	746,093
Taxation		-	13,004
TOTAL LIABILITIES		141,679	759,097
TOTAL EQUITY AND LIABILITIES		224,371,397	251,169,382

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

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2016

	Attributable to owners of the Parent				
	Share capital RM	Share premium – non distributable RM	Capital reserve – non distributable RM	Warrant reserve – non distributable RM	Retained profits RM
Balance at 1 January 2014	185,757,033	16,358,740	2,257,088	14,698,134	39,037,895
Issuance of shares					
- Exercise of Warrants 2010/2020 (Note 22)	155,600	36,936	-	(36,936)	-
Loss for the period	-	-	-	-	(7,854,205)
Total comprehensive loss	-	-	-	-	(7,854,205)
Balance at 31 March 2015	185,912,633	16,395,676	2,257,088	14,661,198	31,183,690
Balance at 1 April 2015	185,912,633	16,395,676	2,257,088	14,661,198	31,183,690
Issuance of shares					
- Exercise of Warrants 2010/2020 (Note 22)	690,200	163,837	-	(163,837)	-
Transactions with owners					
- Dividend (Note 31)	-	-	-	-	(27,990,425)
Total transactions with owners	-	-	-	-	(27,990,425)
Profit for the year	-	-	-	-	1,119,658
Total comprehensive income	-	-	-	-	1,119,658
Balance at 31 March 2016	186,602,833	16,559,513	2,257,088	14,497,361	4,312,923
					224,229,718

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

STATEMENT OF CASH FLOWS

for the year ended 31 March 2016

	NOTE	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before taxation		1,184,658	(7,592,069)
Adjustments for:			
Amortisation of land use rights		-	37,294
Bad debts written off		52,921	-
Depreciation of property, plant and equipment		154,104	178,529
Depreciation of investment property		8,000	10,000
Dividend income		(1,040,186)	(275)
Impairment on investment in subsidiary companies		3,000,000	75,700,000
Interest income		(2,702,042)	(1,203,692)
Property, plant and equipment written off		4,562	-
Profit from disposal of land used rights		-	(3,749,603)
Reversal of allowance for impairment on receivables		(71,021)	(66,933,167)
Reversal of impairment on investment in subsidiary companies		(3,200,000)	-
Loss before changes in working capital		(2,609,004)	(3,552,983)
Working capital changes:			
Trade and other receivables		158,063	(168,391)
Trade and other payables		(231,376)	(211,715)
Cash outflows from operations		(2,682,317)	(3,933,089)
Interest received		2,702,042	1,203,692
Tax paid		(280,754)	(242,545)
Tax refunded		89,244	22,671
Net cash outflows from operating activities		(171,785)	(2,949,271)
CASH FLOWS FROM INVESTING ACTIVITIES			
Withdrawal/(placement) of fixed deposits		7,589,147	(11,000,000)
Proceeds from disposal of investment in a subsidiary company		-	2
Purchase of shares in subsidiary companies		(2,799,998)	(69,100,002)
Dividends received		1,040,186	275
Purchase of property, plant and equipment		(215,873)	(351,540)
Proceeds from disposal of land use rights		-	5,273,643
Repayment from subsidiary companies		170,356,930	51,551,035
Net cash inflows/(outflows) from investing activities		175,970,392	(23,626,587)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(27,990,425)	-
Proceeds from issue of shares – exercise of warrants		690,200	155,600
Repayment to subsidiary companies		(373,038)	(3,202,377)
Net cash outflows from financing activities		(27,673,263)	(3,046,777)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		148,125,344	(29,622,635)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR/PERIOD	21	5,097,275	34,719,910
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD	21	153,222,619	5,097,275

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2016

1. BASIS OF PREPARATION

Goh Ban Huat Berhad is a public listed company incorporated and domiciled in Malaysia and is listed on Bursa Malaysia Securities Berhad.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 14 June 2016.

(a) Statement of compliance

The financial statements comply with the Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The accounting policies adopted are consistent with those of previous financial year except as follows:

On 1 April 2015, the Group and the Company adopted the following Amendments to published standards mandatory for annual financial periods beginning on or after 1 April 2015:

Amendments

Annual Improvements to MFRSs 2010 – 2012 Cycle as follows:

- Amendments to MFRS 3 Business Combinations
- Amendments to MFRS 8 Operating Segments
- Amendments to MFRS 116 Property, Plant and Equipment
- Amendments to MFRS 124 Related Party Disclosures
- Amendments to MFRS 138 Intangible Assets

Annual Improvements to MFRSs 2011 – 2013 Cycle as follow:

- Amendments to MFRS 3 Business Combinations
- Amendments to MFRS 13 Fair Value Measurement
- Amendments to MFRS 140 Investment Property

The adoption of the above new Amendments do not have any material effect on the financial statements of the Group and the Company.

The following new MFRSs and Amendments to published standards have been issued and are relevant but are not yet effective to the Company:

Standards/Amendments	Effective date
Amendments to MFRS 101 Disclosure Initiative	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle as follow:	1 January 2016
• Amendments to MFRS 7 Financial Instruments: Disclosures	
• Amendments to MFRS 119 Employee Benefits	
• Amendments to MFRS 134 Interim Finance Reporting	
Amendments to MFRS 127 – Equity method in Separate Financial Statements	1 January 2016

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

1. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (cont'd)

Standards/Amendments	Effective date
Amendments to MFRS 10 and MFRS 128 – Sale or Contribution of Assets between an investor and its Associate or Joint Venture	Date deferred
Amendments to MFRS 116 and MFRS 138 – Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 107 – Disclosure Initiative	1 January 2017
Amendments to MFRS 112 – Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
MFRS 15 – Revenue from Contracts with Customers	1 January 2018
MFRS 9 – Financial Instruments (IFRS 9 as issued by IASB in July 2014) and mandatory effective date of MFRS 9	1 January 2018
MFRS 16 – Leases	1 January 2019

The initial adoption of the new MFRSs and Amendments do not have any material effect on the financial statements except for MFRS 9. Due to the complexity of the standard and its requirements, the financial effects of its adoption are still being assessed by the Company.

(b) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia which is the Group's and the Company's presentation currency. The Company's functional currency is also in Ringgit Malaysia.

(c) Basis of Measurement

The financial statements are prepared under the historical cost convention unless otherwise indicated in the accounting policies.

(d) Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets or liabilities affected in the future.

Key sources of estimation uncertainty

The key assumptions concerning the future and other major sources of estimation uncertainty at the end of the reporting period that have significant risk of resulting in material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Impairment of trade receivables

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

1. BASIS OF PREPARATION (CONT'D)

(d) Use of estimates and judgments (cont'd)

Key sources of estimation uncertainty (cont'd)

(i) Impairment of trade receivables (cont'd)

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 of the Group's and of the Company's trade and other receivables at the reporting date are disclosed in Note 19.

(ii) Inventories write down

In estimating net realisable values, management reviews the inventories' aging and applies certain percentage of write down on those inventories and they also review the inventories' present net realisable value in the market place. The percentage of write down and net realisable value are determined based on the experience and judgement of the management team. The carrying amount at the reporting date is disclosed in Note 18.

(iii) Impairment of subsidiaries company

In determining the value-in-use of a cash-generating unit, management uses assumptions based upon past experience, current events and reasonably possible future developments. Cash flows are projected and discounted at an appropriate discount rate.

The carrying amount at the reporting date is disclosed in note 14.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For acquisitions on or after 1 January 2011, the Group measures the cost of goodwill at the acquisition date as:

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

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

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(ii) Acquisitions of non-controlling interests

The Group treats all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (cont'd)

(iii) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the influence retained.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements except when an unrealised loss may indicate an impairment loss that requires recognition in the consolidated financial statements.

(v) Non-controlling interest

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

(b) Subsidiary companies

Subsidiaries are entities, including unincorporated entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, potential voting rights are considered when such rights are substantive. The Group considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

In the separate financial statements of the Company, investments in subsidiaries are measured at cost less impairment losses, if any.

(c) Property, plant and equipment

All items of property, plant and equipment are initially recorded at costs.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Subsequent costs are included in the assets' carrying amounts or recognised as separate assets, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Group and the costs of the items can be measured reliably. The carrying amount of the replaced part is derecognised to profit or loss. All other repairs and maintenance are recognised in the profit or loss as incurred.

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Property, plant and equipment (cont'd)

Freehold land is not depreciated. Other property, plant and equipment are depreciated over their estimated useful lives on a straight-line basis at the following annual rates:

	%
Freehold buildings	2 – 4
Plant and machinery	2 – 10
Equipment, furniture and fittings, renovation and motor vehicles	5 – 20

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

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

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

(d) Inventories

Inventories are valued at the lower of costs and net realisable values.

Costs of goods for resale, raw materials and consumables comprise the original costs of purchase and the costs of bringing the inventories to their present locations and conditions. Cost of finished goods and work-in-progress comprise direct materials, direct labour and an appropriate proportion of production overheads based on normal operating capacity. Cost is determined either on "first in, first out" or "weighted average" basis.

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

(e) Foreign currencies

For each entity in the Group, transactions denominated in foreign currencies are translated and recorded at the rates of exchange prevailing at the respective dates of transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the period. Non-monetary items carried at fair values or at revalued amounts that are denominated in foreign currencies are retranslated at the rates prevailing at the dates the fair values were determined. Non-monetary items that are measured at their historical cost amounts continue to be translated at their historical rates and are not retranslated.

All exchange differences arising on settled transactions and on unsettled monetary items are recognised in profit or loss in the period.

(f) Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both.

Investment properties are stated at cost less accumulated depreciation and impairment losses.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of 50 years.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Investment properties (cont'd)

Where an indication of impairment exists, the carrying amount of the assets is assessed and written down immediately to its recoverable amount.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

(g) Taxes

Tax charged on the profit or loss for the year comprises current and deferred taxes. Current year tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the reporting date.

Deferred tax liabilities and assets are provided for under the liability method in respect of temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base including unused tax losses and capital allowances. Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax laws that have been enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of a deferred tax asset is reviewed at each reporting date. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient taxable profit will be available, such reductions will be reversed to the extent of the taxable profit.

(h) Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are amortised over their estimated useful lives on a straight-line basis of 20%.

Where an indication of impairment exists, the carrying amount of the assets is assessed and written down immediately to its recoverable amount.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Gain or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

(i) Revenue recognition

Revenue is recognised when it is probable that future economic benefits will flow to the entity and the revenue can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from sales of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyers.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Revenue recognition (cont'd)

Interest income is recognised on using the effective interest method.

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

Rental income from operating leases is recognised on straight-line basis over the term of the relevant lease.

(j) Impairment of assets

The carrying amounts of the Group's and Company's assets other than inventories, deferred tax assets and financial assets (except those measured at fair value through profit or loss and investment in subsidiaries and associates), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognised whenever the recoverable amount is less than the carrying amount of the asset. The impairment loss is recognised in the profit or loss immediately. All reversals of an impairment loss are recognised as income immediately in the profit or loss.

(k) Financial assets

The Group and the Company shall recognise a financial asset on their statements of financial position when the entity becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all their risks and rewards of ownership of the financial assets.

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss.

At the time of initial recognition, financial assets are classified into the following specified categories: 'fair value through profit or loss, held-to-maturity investments, available-for-sale and loans and receivables'. The classification depends on the purpose of the financial asset.

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

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- It has been acquired principally for the purpose of selling it in the near term;
- Part of a portfolio of identified financial instruments that are managed together and there are recent actual pattern of short-term profit-taking;
- It is a derivative (except for financial guarantee contract or a designated and effective hedging instrument).

(ii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates and that the Group and the Company has positive intention and ability to hold to maturity.

(iii) Loans and receivables

Loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Financial assets (cont'd)

(iv) Available-for-sale financial assets ("AFS")

AFS are non-derivative financial assets that are designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investments or FVTPL.

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

FVTPL and AFS are subsequently carried at fair value. Held-to-maturity investments and loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in fair value from FVTPL are recognised in profit or loss.

Gains or losses arising from changes in fair value from AFS are recognised directly in equity.

Gains or losses from financial assets carried at amortised costs are recognised through profit or loss.

The Group and the Company assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets are impaired.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. The carrying amount of the asset shall be reduced directly through use of an allowance account. The amount of the loss is recognised in profit or loss. If there is reversal of previously recognised impairment loss, it is reversed either directly or by adjusting an allowance account. The reversal shall not result in carrying amount of the financial assets exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment loss is reversed. The amount of reversal is recognised in profit or loss.

In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and current fair value, less any impairment loss on that investment previously recognised in the profit or loss – is removed from other comprehensive income and recognised in the profit or loss. Impairment losses on equity investments are not reversed through profit or loss.

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

(l) Financial liabilities

The Group and the Company shall recognise a financial liability on their statements of financial position when the entity becomes a party to the contractual provisions of the instruments.

Financial liabilities are derecognised when it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Financial liabilities (cont'd)

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

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been acquired principally for the purpose of selling it in the near term;
- Part of a portfolio of identified financial instruments that are managed together and there are recent actual pattern of short-term profit-taking;
- It is a derivative (except for financial guarantee contract or a designated and effective hedging instrument).

(ii) Other financial liabilities

Other financial liabilities are financial liabilities that are not classified as financial liabilities at FVTPL.

Other financial liabilities are initially recognised at fair value plus transactions costs. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value and transactions costs are expensed in the profit or loss.

Other financial liabilities are subsequently carried at amortised cost using the effective interest method. Financial liabilities at FVTPL are measured at fair value except for derivatives liability that are linked to and must be settled by delivery of such unquoted equity instruments whose fair value cannot be reliably measured are measured at cost.

Gains or losses arising from changes in fair value from financial liabilities classified at FVTPL are recognised in profit or loss.

Gains or losses from other financial liabilities carried at amortised costs are recognised through profit or loss.

(m) Derivative financial instruments

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at the end of each reporting period. The method of recognising gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

An embedded derivative shall be separated from the host contract and accounted for as a separate derivative if the risks and characteristics of the embedded derivative are not closely related to the economic characteristics and risks of the host contracts, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative and the hybrid instrument is not measured at fair value with changes in fair value recognised in profit or loss.

(n) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to cash with insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Share capital

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

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs.

(p) Employee benefits

(i) Short term employee benefits

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

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF").

(q) Lease

(i) Classifications

A lease is recognised as a finance lease if it transfers substantially to the Group and the Company all the risks and rewards incidental to ownership. All leases that do not transfer substantially all the risks and reward are classified as operating leases.

(ii) Operating leases – the Group and the Company as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease.

The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expenses over the lease term on a straight-line basis.

In the case of a lease of land, the up-front payment represents prepaid lease payments for land use rights and are amortised on a straight-line basis over the lease term.

Land use rights were amortised over the lease periods between 28 years to 72 years.

(iii) Operating leases – the Group as lessor

Assets leased out under operating leases are presented on the statement of financial position according to the nature of the assets. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

(r) Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 29, including the factors used to identify the reportable segments and the measurement basis of segment information.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Earning per share ("EPS")

Basis EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares in issue during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(t) Fair value measurement

For assets, liabilities and equity instruments (whether financial or non-financial items) that require fair value measurement or disclosure, the Company establishes a fair value measurement hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value. This fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets, liabilities or equity instruments and the lowest priority to unobservable inputs.

A fair value measurement of an item is classified as a Level 1 measurement if it is estimated using a quoted price in a active market. The active market is the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability; and for which the Company can enter into a transaction for the asset or liability at the price in that market at the measurement date.

In the absence of Level 1 inputs, a fair value measurement of an item is classified as a Level 2 measurement if it is estimated by an established valuation technique using inputs from the marketplace that are observable for substantially the full term of the asset or liability.

In the absence of both Level 1 and Level 2 inputs, a fair value measurement of an item is classified as a Level 3 measurement if it is estimated by an established valuation technique using unobservable inputs, including internally developed assumptions.

(u) Associated company

An associate is an entity over which the Group or Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in its associate is accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date.

Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The financial statements of the associate is prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

In the separate financial statements of the Company, investment in associated company is stated at cost less impairment loss, if any.

(v) Dividend

Dividends on ordinary shares are recognised as liabilities when the obligation to pay is established.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(v) Dividend (cont'd)

The distribution of non-cash assets to owners is recognised as dividend payable when the dividend has been appropriately authorised. The dividend payable is measured at the fair value of the shares to be distributed. At the end of the reporting date and on the settlement date, the Group and the Company review the carrying amount of the dividend payable, with any changes in the fair value of the dividend payable recognised in equity. When the Group and the Company settle the dividend payable, the difference between the carrying amount of the dividend distributed and the carrying amount of the dividend payable is recognised as a separate line item in profit or loss.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's and the Company's operating, investing and financing activities expose the Group and the Company to market risk, credit risk and liquidity risk. The Group's and the Company's overall risk management programme is to focus on minimising the potential adverse effects on the Group's and the Company's financial performance.

The Board of Directors review and agree policies and procedures for the management of these risks. The Audit Committee also provides independent oversight to the effectiveness of the risk management process.

(a) Market risk

(i) Foreign currency risk management

The Group is exposed to foreign risk primarily arising from Singapore Dollar (SGD) and US Dollar (USD).

During the year, there is no formal hedging policy with respect to foreign exchange risk exposure. The Group monitors its foreign exchange risk exposure on an on-going basis and endeavour to keep the net exposure at an acceptable level.

At the reporting date, the Group's of profit and equity is not materially affected by the movement in foreign exchange rate of foreign currencies.

(ii) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their fixed deposits with licensed banks.

The Group's and the Company's exposure to interest rate risk is minimum because their interest bearing fixed deposits are at fixed rate. Thus any change to the interest rate have immaterial effect to the profit and equity.

(iii) Market price risk management

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices.

The Group is exposed to equity price risk arising from its investment in quoted equity instruments and investment fund.

Sensitivity analysis for market price risk

At the reporting date, if the market price had been 5% higher, the Group's profit and equity would have been RM1,091,671 higher. A 5% lower market price would have had equal but opposite effect on Group's profit and equity.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

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

(b) Credit risk management

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables.

For banks and financial institutions, only major banks are accepted.

The Group's and Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure.

For customer, credit control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual credit limits are set and approved by authorized personnel and credit limits are regularly monitored.

As at the reporting date, the Group has no significant concentration of credit risk, whereas 81% (2015: 83%) of the Company's receivables were due from a subsidiary company.

(c) Liquidity risk management

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables and loans.

The Group and the Company actively manage its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group and the Company monitor and maintain sufficient levels of cash and cash equivalents deemed adequate by management to ensure as far as possible that they will have sufficient liquidity to meet their liabilities when they fall due.

	Within 1 year RM
GROUP	
As at 31 March 2016	
Non-derivative financial liabilities	
Trade and other payables	5,464,563
Bank guarantee given to a third party	2,234,250
	<hr/> <hr/>
As at 31 March 2015	
Non-derivative financial liabilities	
Trade and other payables	4,309,694
Bank guarantee given to a third party	346,000
	<hr/> <hr/>
COMPANY	
As at 31 March 2016	
Non-derivative financial liabilities	
Trade and other payables	141,679
Corporate guarantee given to subsidiaries' suppliers	465,454
Corporate guarantee given to a subsidiary company	8,000,000
	<hr/> <hr/>
As at 31 March 2015	
Non-derivative financial liabilities	
Trade and other payables	746,093
Corporate guarantee given to subsidiaries' suppliers	806,500
Bank guarantee given to a third party	346,000
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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

4. CAPITAL RISK MANAGEMENT

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

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company's capital management is dependent on capital requirements of the business or investments. Management would evaluate various options taking into consideration market conditions, nature of investment and the Company's structure. As at 31 March 2016, the Company has no external borrowings. As a result, the Company does not set a policy on maintaining its capital structure at a specific gearing ratio.

The Group and the Company is not subject to any externally imposed capital requirements.

5. FINANCIAL INSTRUMENTS BY CATEGORIES AND ITS FAIR VALUE ESTIMATION

FINANCIAL INSTRUMENTS BY CATEGORIES

GROUP	2016 RM	2015 RM
Financial assets		
Loans and receivables		
- Trade and other receivables excluding prepayments	17,992,156	23,720,822
- Fixed deposits with a licensed bank	3,410,583	-
- Cash and cash equivalents	169,399,214	178,545,799
- Investment in deposits	-	11,000,000
Available-for-sale financial assets		
- Unquoted shares at cost less impairment	53,700	53,700
- Transferable club membership at cost less impairment	-	-
- Quoted shares	8,845,700	9,293,900
- Investment fund	12,983,888	12,506,175
Financial assets at fair value through profit or loss (FVTPL)		
- Quoted shares	2,239	2,239
Financial liabilities		
Other financial liabilities		
- Trade and other payables	5,464,563	4,309,694
COMPANY		
Financial assets		
Loans and receivables		
- Trade and other receivables excluding prepayments	39,999,866	210,505,423
- Cash and cash equivalents	153,222,619	5,097,275
- Fixed deposit with a licensed bank	3,410,853	-
- Investment in deposits	-	11,000,000
Financial assets at fair value through profit or loss (FVTPL)		
- Quoted shares	1,220	1,220
Financial liabilities		
Other financial liabilities		
- Trade and other payables	141,679	746,093

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

5. FINANCIAL INSTRUMENTS BY CATEGORIES AND ITS FAIR VALUE ESTIMATION (CONT'D)

FINANCIAL INSTRUMENTS BY CATEGORIES (CONT'D)

Quoted shares and investment fund are measured at Level 1 of the fair value hierarchy.

Investment properties are measured at level 3 of the fair value hierarchy. The directors estimate the fair value at RM580,000 (2015: RM580,000). This is based on the information obtained from a real estate agent's website.

Unquoted shares represents a share held in a golf club and shares in a public company. It is not practical to determine the fair value of unquoted shares and transferable club membership due to lack of comparable quoted prices in active market. In addition, it is impractical to use valuation technique to estimate the fair value reliably as a result of significant variability in the inputs of the valuation technique.

Other than quoted shares, unquoted shares, investment fund and transferable club membership, financial assets and financial liabilities are not carried at fair value but their carrying amounts are reasonable approximation of their fair value due to their short term nature.

6. REVENUE

	GROUP		COMPANY	
	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Income distribution from investment fund	435,950	-	-	-
Dividend income from quoted investment	369,600	-	-	-
Interest income from fixed deposits and REPO	3,085,950	-	-	-
Sale of goods	49,022,702	67,896,670	-	-
Operating lease – rental income from premises*	64,800	192,000	64,800	192,000
Management fees	60,000	-	450,720	-
	53,039,002	68,088,670	515,520	192,000

* For the Group and the Company, these consist of cancellable operating leases whereby 2 months notice is required to terminate the agreements.

7. PROFIT/(LOSS) BEFORE TAXATION

	GROUP		COMPANY	
	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Profit/(loss) before taxation is stated after charging and (crediting):				
Amortisation of intangible assets	135,951	169,939	-	-
Amortisation of land used rights	-	37,294	-	37,294
Auditors' remuneration				
- current year	134,000	205,000	52,000	79,000
- overprovision in prior year	(28,500)	-	(16,500)	-
Bad debts written off	84,952	5,000	52,921	-
Cost of inventories charged to expenses##	42,932,399	50,696,054	-	-
Depreciation of investment property	8,000	10,000	8,000	10,000
Depreciation	1,864,024	3,366,926	154,104	178,529

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

7. PROFIT/(LOSS) BEFORE TAXATION (CONT'D)

	GROUP		COMPANY	
	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Directors' remuneration				
- fees	215,000	146,250	215,000	146,250
- other emoluments *#	1,066,391	2,088,008	937,132	582,968
- consultancy fee	18,000	-	-	-
Compensation receivable	(2,450,000)	-	-	-
Dividend income from a subsidiary company	-	-	(1,040,010)	-
FVTPL –Dividend income from quoted shares in Malaysia	(187)	(8,493)	(176)	(275)
Interest income from loans and receivables				
- fixed deposits	(2,710,254)	(1,270,435)	(2,683,272)	(1,179,749)
- money market	(91,063)	(95,879)	(18,770)	(23,943)
Impairment on investment in a subsidiary company	-	-	3,000,000	75,700,000
Impairment loss on property, plant and equipment	1,125,185	-	-	-
Loss on disposal of an associated company	-	326,818	-	-
Loss/(gain) on foreign exchange				
- realised	10,890	(91,705)	-	844
- unrealised	-	(80,966)	-	-
Operating lease - rental of				
- equipment and machinery**	151,045	163,736	-	-
- premises***	5,263,829	2,200,925	279,352	218,206
- warehouse***	21,000	-	-	-
- showroom***	24,000	30,000	-	-
Operating lease – rental income from warehouse***	(48,000)	-	-	-
Loss/(profit) from disposal of property, plant and equipment	1,577,049	(72,911,560)	-	-
Profit from disposal of land used rights	-	(3,749,603)	-	(3,749,603)
Property, plant and equipment written off	60,318	38,606	4,562	-
Reversal of allowance for impairment on receivables	(112,069)	(45,000)	(71,021)	(66,933,167)
Reversal of impairment on investment in subsidiary companies	-	-	(3,200,000)	-
Retrenchment benefits	2,778,805	-	-	-
Staff costs*	9,380,065	13,086,461	223,706	131,379

* Included in staff costs and directors' other emoluments of the Group and of the Company are amounts totalling RM771,524 (2015: RM1,288,370) and RM113,345 (2015: RM72,937) respectively contributed to the Employees' Provident Fund.

** These consist of cancellable and non-cancellable operating leases. For cancellable operating leases either no notice or one to two months' notice are required for termination of these agreements.

For non-cancellable operating leases, the lease commitments are disclosed in Note 27 to the financial statements.

*** These consist of cancellable operating leases whereby either no notice or one to six months' notice are required for termination of these agreements.

The estimated monetary value of other benefits not included in the above received by the directors of the Group and of the Company are amounts totaling RM72,200 (2015: RM112,500) and RM64,700 (2015: RM58,750).

Cost of inventories charged to expenses includes:

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

7. PROFIT/(LOSS) BEFORE TAXATION (CONT'D)

	GROUP	
	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Inventories written down	1,308,972	386,278
Reversal of inventories written down	(399,414)	(470,404)

8. TAXATION

	GROUP		COMPANY	
	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
(a) Current Malaysian taxation	818,100	187,200	65,000	-
Underprovision of taxation in prior years	1,366	53,174	-	49,270
Real Property Gain Tax	-	517,945	-	212,866
	819,466	758,319	65,000	262,136

(b) Reconciliation of tax expense and accounting profit/(loss):

	GROUP		COMPANY	
	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Accounting profit/(loss)	1,063,287	75,610,168	1,184,658	(7,592,069)
Tax at the applicable tax rate	255,188	18,902,542	284,318	(1,898,017)
Tax effect of expenses that are not deductible in determining taxable profit	7,965,632	1,655,170	801,052	19,516,725
Tax effect of income that are not included in determining taxable profit	(794,269)	(19,133,574)	(1,019,997)	(17,670,693)
Movement from unrecognised deferred tax assets	(6,608,451)	(1,236,938)	(373)	51,985
Current tax expense	818,100	187,200	65,000	-

The current corporate tax rate is 24% (2015: 25%). Consequently, deferred tax assets in Note 24 are measured using this tax rate.

- (c) The Company has unabsorbed capital allowances and unused tax losses of approximately RM3,148,000 (2015: RM3,226,000) available for set off against future taxable income.
- (d) The Company is able to distribute its profits by way of dividend.
- (e) The Company has tax exempt income of RM12,200,630 available for distribution by way tax exempt dividends.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

9. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share is calculated based on the consolidated profit for the year/period attributable to owners of the parent of RM275,042 (2015: RM74,851,849) and the weighted average of 186,602,833 (2015: 185,912,633) ordinary shares issued and paid up during the financial year.

(b) Diluted earnings per share

The diluted earnings per share is calculated based on the consolidated profit for the year/period attributable to owners of the parent of RM275,042 (2015: RM74,851,819) and the weighted average of 206,176,688 (2015: 218,769,602) ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

10. PROPERTY, PLANT AND EQUIPMENT

	Freehold buildings RM	Plant and machinery RM	Equipment, furniture and fittings, renovation and motor vehicles RM	Total RM
2016 GROUP				
At cost				
At 1 April 2015	7,630	56,923,132	9,581,103	66,511,865
Additions	-	-	463,142	463,142
Disposals	-	(34,048,255)	(3,718,952)	(37,767,207)
Written off	-	(1,591,820)	(340,042)	(1,931,862)
At 31 March 2016	7,630	21,283,057	5,985,251	27,275,938
Accumulated depreciation				
At 1 April 2015	7,630	49,218,052	5,926,523	55,152,205
Charge for the year	-	1,205,509	658,515	1,864,024
Disposals	-	(29,781,632)	(1,882,986)	(31,664,618)
Written off	-	(1,051,700)	(275,217)	(1,326,917)
At 31 March 2016	7,630	19,590,229	4,426,835	24,024,694
Accumulated impairment depreciation				
At 1 April 2015	-	540,111	16,784	556,895
Charge for the year	-	1,066,145	59,040	1,125,185
Written off	-	(540,111)	(4,516)	(544,627)
At 31 March 2016	-	1,066,145	71,308	1,137,453
Net book value				
At 31 March 2016	-	626,683	1,487,108	2,113,791

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

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

	Freehold land RM	Freehold buildings RM	Plant and machinery RM	Equipment, furniture and fittings and motor vehicles RM	Total RM
2015 GROUP					
At cost					
At 1 January 2014	113,137,229	13,892,692	59,019,470	8,350,634	194,400,025
Additions	-	-	660,433	1,366,676	2,027,109
Disposals	(113,137,229)	(13,885,062)	(2,756,771)	(92,000)	(129,871,062)
Written off	-	-	-	(44,207)	(44,207)
At 31 March 2015	-	7,630	56,923,132	9,581,103	66,511,865
Accumulated depreciation					
At 1 January 2014	-	12,542,831	48,816,140	5,081,556	66,440,527
Charge for the period	-	58,831	2,365,528	942,567	3,366,926
Disposals	-	(12,594,032)	(1,963,616)	(91,999)	(14,649,647)
Written off	-	-	-	(5,601)	(5,601)
At 31 March 2015	-	7,630	49,218,052	5,926,523	55,152,205
Accumulated impairment losses					
At 1 January 2014	-	-	1,333,265	16,784	1,350,049
Disposals	-	-	(793,154)	-	(793,154)
At 31 March 2015	-	-	540,111	16,784	556,895
Net book value					
At 31 March 2015	-	-	7,164,969	3,637,796	10,802,765
	Furniture and fittings RM	Renovation RM	Motor vehicle RM	Office equipment RM	Total RM
2016 COMPANY					
At cost					
At 1 April 2015	-	-	754,971	12,149	767,120
Additions	14,600	196,340	-	4,933	215,873
Written off	-	-	-	(6,328)	(6,328)
At 31 March 2016	14,600	196,340	754,971	10,754	976,665

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

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

	Furniture and fittings RM	Renovation RM	Motor vehicle RM	Office equipment RM	Total RM
2016 COMPANY (CONT'D)					
Accumulated depreciation					
At 1 April 2015	-	-	393,315	1,995	395,310
Charge for the year	189	1,636	150,994	1,285	154,104
Written off	-	-	-	(1,766)	(1,766)
At 31 March 2016	189	1,636	544,309	1,514	547,648
Net book value					
At 31 March 2016	14,411	194,704	210,662	9,240	429,017
2015 COMPANY					
At cost					
At 1 January 2014	-	-	405,421	10,159	415,580
Additions	-	-	349,550	1,990	351,540
At 31 March 2015	-	-	754,971	12,149	767,120
Accumulated depreciation					
At 1 January 2014	-	-	216,224	557	216,781
Charge for the period	-	-	177,091	1,438	178,529
At 31 March 2015	-	-	393,315	1,995	395,310
Net book value					
At 31 March 2015	-	-	361,656	10,154	371,810

11. INVESTMENT PROPERTIES

	GROUP AND COMPANY	
	2016 RM	2015 RM
Investment properties stated at cost:		
At cost		
At 1 April 2015/1 January 2014 and 31 March	400,000	400,000
Accumulated depreciation		
At 1 April 2015/1 January 2014	34,000	24,000
Charge for the year/period	8,000	10,000
At 31 March	42,000	34,000
Net carrying amount		
At 31 March	358,000	366,000

The investment properties comprise freehold land and buildings.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

11. INVESTMENT PROPERTIES (CONT'D)

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

	GROUP AND COMPANY	
	2016 RM	2015 RM
Operating lease - rental income	28,800	36,000
Direct operating expenses	5,902	5,572

12. INTANGIBLE ASSETS

	GROUP	
	2016 RM	2015 RM
Computer software:		
At cost		
At 1 April 2015/1 January 2014 and 31 March	679,757	679,757
Accumulated amortisation		
At 1 April 2015/1 January 2014	453,170	283,231
Charge for the year/period	135,951	169,939
At 31 March	589,121	453,170
Net carrying amount		
At 31 March	90,636	226,587

13. LAND USE RIGHTS

	GROUP AND COMPANY	
	2016 RM	2015 RM
Cost		
At 1 April 2015/1 January 2014	-	2,232,620
Disposal	-	(2,232,620)
At 31 March	-	-
Accumulated amortisation		
At 1 April 2015/1 January 2014	-	671,285
Amortisation for the year/period	-	37,294
Disposal	-	(708,579)
At 31 March	-	-
Net carrying amount		
At 31 March	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

14. SUBSIDIARY COMPANIES

	COMPANY 2016 RM	2015 RM
Shares in unquoted corporations:		
At cost	140,248,111	137,448,113
Impairment losses	(113,448,109)	(113,648,109)
	<u>26,800,002</u>	<u>23,800,004</u>

The subsidiary companies which were incorporated in Malaysia are:

Name of company	Principal activities	Group's equity interests 2016 %	2015 %
GBH Ceramics Sdn. Bhd.	Manufacturing and trading of ceramic pipes	100	100
GBH Bathroom Products Sdn. Bhd.	Trading of ceramic wares	100	100
GBH Crown Lynn Sdn. Bhd.	Trading of ceramic tablewares	100	100
GBH Porcelain Sdn. Bhd.	Investment holding	100	100
Dcor Bath Sdn. Bhd.	Trading of ceramic wares	75	100
GBH Clay Pipes Sdn. Bhd.	Dormant	100	100
GBH Land Sdn. Bhd.	Investment holding	100	100

The Company subscribed 2,799,998 shares of RM 1 each in an existing subsidiary company (2015: The Company subscribed to 69,100,000 shares in existing subsidiary companies).

On 30 June 2015, the subsidiary company has issued new ordinary shares which was not fully subscribed by the holding company. Hence, this has resulted in decreased from 100% to 25% as a result of the share issue.

The effects of the decrease in the Company's ownership are as follows:

	Before the change RM	After the change RM	Effect on equity RM
Identifiable net assets	3,001,661	3,001,661	
Cash received from share issue	-	1,000,000	
Total net assets	<u>3,001,661</u>	<u>4,001,661</u>	
Company's ownership interest	<u>100%</u>	<u>75%</u>	
Share of net assets	<u>3,001,661</u>	<u>3,001,246</u>	(415)

There is an additional impairment loss of RM3,000,000 for a subsidiary company and the recoverable amount of this subsidiary company is based on value in use using a discount rate 9% (2015: 9%).

There is a reversal of impairment loss of RM3,200,000 for several subsidiary companies due to recoverable amount being higher than its carrying amount. The recoverable amount of the subsidiary companies are based on value in use using a discount rate of 9% (2015: 9%).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

15. ASSOCIATED COMPANY

	GROUP 2016 RM	2015 RM
Shares in unquoted corporations, at cost	14,175,000	14,175,000
Share of post acquisition profit	425,699	23,406
	14,600,699	14,198,406
Share of net assets other than goodwill	8,318,589	7,916,296
Goodwill on acquisition	6,282,110	6,282,110
	14,600,699	14,198,406

The associated company which was incorporated in Malaysia is:

Name of company	Principal activity	Group's equity interests 2016 %	2015 %
Time Galerie (M) Sdn. Bhd.	Retailing of watches, clocks, gifts and other accessories	20.25%	20.25%

The principal place of business is at Lot 6, Jalan Murai 2, Batu Complex, 51100 Kuala Lumpur.

The summarised financial information of the associated company is as follows:

	GROUP 2016 RM	2015 RM
Assets and liabilities		
Non current assets	2,202,942	2,214,087
Current assets	43,040,516	42,317,996
	45,243,458	44,532,083
Non current liabilities	-	-
Current liabilities	4,164,006	5,439,262
	4,164,006	5,439,262
Results		
Revenue	42,858,166	1,124,959
Profit for the year	11,123,646	115,584
Total comprehensive income for the year	11,123,646	115,584

In prior year, the Company acquired 35% equity interest in Global Mariner Offshore Services Sdn. Bhd., an associated company through its acquisition of a wholly-owned subsidiary company, Ekpresi Tepat Sdn. Bhd.. Subsequently on 17 October 2014, the acquisition in the associated company was unwound through the disposal of the wholly-owned subsidiary company and there was no gain or loss on disposal. The share of profits from the associated company was RM326,818 for prior financial period.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

16. OTHER INVESTMENTS

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Available-for-sale financial assets				
Unquoted shares, at cost	58,700	58,700	-	-
Impairment loss	(5,000)	(5,000)	-	-
	53,700	53,700	-	-
Transferable club membership				
At cost	15,000	15,000	-	-
Impairment loss	(15,000)	(15,000)	-	-
	-	-	-	-
Investment fund				
Quoted shares	12,983,888	12,506,175	-	-
	8,845,700	9,293,900	-	-
Financial assets at fair value through profit or loss (FVTPL)				
Quoted shares	2,239	2,239	1,220	1,220
	21,885,527	21,856,014	1,220	1,220

Included in the unquoted shares is an amount of RM56,700 representing a share in a golf club.

17. INVESTMENT IN DEPOSITS

In prior year, investment in deposits of the Group and the Company represent fixed deposits placed with a licensed bank made for a period of twenty four months and earn interests at the prevailing long term deposits rate.

18. INVENTORIES

	GROUP	
	2016 RM	2015 RM
At lower of cost and net realisable value		
Raw materials	72,400	177,164
Consumables	236,591	589,681
Work-in-progress	779,127	1,601,292
Finished goods	2,381,614	2,384,591
Goods for resale	10,439,316	5,128,341
Goods for resale-goods-in-transit	49,800	-
	13,958,848	9,881,069

Inventories are written down based on the experience and judgment of the management team on the basis that they reflect expected selling prices for such inventories. Obsolete inventories are written off. Reversal of inventories written down was due to the inventories were sold above their carrying amounts.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

19. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Trade receivables	12,398,982	16,962,432	8,668	211,145
Allowance for impairment	(14,146)	(126,215)	-	(71,021)
	12,384,836	16,836,217	8,668	140,124
Deposits	2,923,238	6,591,969	246,430	308,724
Other receivables	2,702,382	310,936	112,272	67,149
Prepayment	57,054	1,823,807	36,314	27,650
Allowance for impairment	(18,300)	(18,300)	(18,300)	(18,300)
	5,664,374	8,708,412	376,716	385,223
Amounts due from subsidiary companies				
- current accounts	-	-	39,650,796	210,007,726
	-	-	39,650,796	210,007,726
	18,049,210	25,544,629	40,036,180	210,533,073

The currency exposure profile of trade receivables is as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Ringgit Malaysia	12,350,272	16,276,983	8,668	211,145
Singapore Dollar	54,149	697,674	-	-
Brunei Dollar	-	(6,786)	-	-
US Dollar	(5,439)	(5,439)	-	-
	12,398,982	16,962,432	8,668	211,145

The currency exposure profile of other receivables is as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Ringgit Malaysia	2,702,382	270,786	112,272	67,149
Thai Baht	-	40,150	-	-
	2,702,382	310,936	112,272	67,149

The currency exposure profile of deposits is as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Ringgit Malaysia	2,923,238	6,051,186	246,430	308,724
Renmimbi	-	316,657	-	-
US Dollar	-	224,126	-	-
	2,923,238	6,591,969	246,430	308,724

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

19. TRADE AND OTHER RECEIVABLES (CONT'D)

Trade receivables of the Company are non-interest bearing and generally on 30 days terms.

Trade receivables of the Group are non-interest bearing and generally are on 30 days to 90 days terms.

The current amounts due from subsidiary companies are repayable upon demand.

No other receivables for the Group and the Company are past due nor impaired at the reporting date.

Ageing analysis of trade receivables:

	GROUP	
	2016	2015
	RM	RM
Neither past due nor impaired	9,999,377	12,519,187
1 to 30 days past due not impaired	1,045,122	2,713,818
31 to 60 days past due not impaired	473,535	696,157
61 to 90 days past due not impaired	14,776	789,245
91 to 120 days past due not impaired	17,740	26
More than 120 days past due not impaired	834,286	117,784
	2,385,459	4,317,030
Impaired	14,146	126,215
	12,398,982	16,962,432

Ageing analysis of trade receivables:

	COMPANY	
	2016	2015
	RM	RM
Neither past due nor impaired	9,116	24,000
1 to 30 days past due not impaired	-	-
31 to 60 days past due not impaired	-	-
61 to 90 days past due not impaired	-	-
91 to 120 days past due not impaired	(92)	-
More than 120 days past due not impaired	(356)	116,124
	(448)	116,124
Impaired	-	71,021
	8,668	211,145

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy customers with good payment records with the Group and the Company and losses have occurred infrequently.

The Group's and the Company's trade and other receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Individually impaired GROUP		Individually impaired COMPANY	
	2016	2015	2016	2015
	RM	RM	RM	RM
Trade receivables - nominal amounts	14,146	126,215	-	71,021
Deposits – nominal amounts	18,300	18,300	18,300	18,300
Allowance for impairment	(32,446)	(144,515)	(18,300)	(89,321)
	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

19. TRADE AND OTHER RECEIVABLES (CONT'D)

Receivables that are neither past due nor impaired (cont'd)

Movement in allowance for impairment:

GROUP

2016

	Trade receivables RM	Deposits RM
At 1 April 2015	126,215	18,300
Reversal of impairment	(80,038)	-
Written off	(32,031)	-
	<hr/>	<hr/>
At 31 March 2016	14,146	18,300

2015

At 1 January 2014	171,215	18,300
Reversal of impairment	(40,000)	-
Written off	(5,000)	-
	<hr/>	<hr/>
At 31 March 2015	126,215	18,300

COMPANY

	Trade receivables RM	Deposits RM	Amounts due from subsidiary companies - current accounts RM
2016			
At 1 April 2015	71,021	18,300	-
Reversal	(71,021)	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2016	-	18,300	-
2015			
At 1 January 2014	71,021	18,300	66,933,167
Reversal	-	-	(66,933,167)
	<hr/>	<hr/>	<hr/>
At 31 March 2015	71,021	18,300	-

Trade receivables that were impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments.

Deposits that were impaired at the reporting date relate to deposits that may not be recoverable.

Included in other receivables is an amount of RM2,450,000 (2015: Nil) owing from a company in which certain directors have interests.

20. FIXED DEPOSIT WITH A LICENSED BANK

The Group and the Company's fixed deposit is pledged to a licensed bank for banking facilities granted to Company and a subsidiary company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

21. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Cash in hand	4,446	3,033	761	-
Bank balances	19,844,052	5,655,374	3,692,601	597,275
Short term deposits with a licensed bank	149,550,716	172,887,392	149,529,257	4,500,000
	<u>169,399,214</u>	<u>178,545,799</u>	<u>153,222,619</u>	<u>5,097,275</u>

Deposits are neither past due nor impaired and are placed with or entered into with reputable licensed banks.

Fixed deposits of the Group and the Company are made for period of between one month to three months respectively and earn interest at the prevailing short term deposit rate.

22. SHARE CAPITAL AND SHARE PREMIUM

	GROUP AND COMPANY	
	2016 RM	2015 RM
Ordinary shares of RM1 each		
Authorised	<u>300,000,000</u>	<u>300,000,000</u>
Issued and fully-paid up		
At 1 April 2015/1 January 2014	185,912,633	185,757,033
Issuance of shares:		
- Exercise of Warrants 2010/2020	<u>690,200</u>	<u>155,600</u>
At 31 March	<u>186,602,833</u>	<u>185,912,633</u>

During the financial year, the issued and fully-paid up ordinary share capital of the Company was increased from 185,912,633 to RM186,602,833 by way of issuance of 690,200 ordinary shares of RM1.00 each arising from the exercise of Warrants 2010/2020 at the exercise price of RM1.00 per share.

The holders of ordinary shares are entitled to receive dividend as and when declared by the Company.

All ordinary shares carry one vote per share without restriction and rank equally with regard to the distribution of Company's residual assets.

	GROUP AND COMPANY	
	2016 RM	2015 RM
Share premium		
At 1 April 2015/1 January 2014	16,395,676	16,358,740
Transfer from warrant reserve upon exercise of Warrants 2010/2020	<u>163,837</u>	<u>36,936</u>
At 31 March	<u>16,559,513</u>	<u>16,395,676</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

23. OTHER RESERVES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Non-distributable				
Capital reserve	1,118,356	1,118,356	2,257,088	2,257,088
Warrant reserve				
At 1 April/1 January	14,661,198	14,698,134	14,661,198	14,698,134
Transferred to share premium account upon exercise of Warrants 2010/2020	(163,837)	(36,936)	(163,837)	(36,936)
At 31 March	14,497,361	14,661,198	14,497,361	14,661,198
Fair value adjustment reserve	(474,206)	(67,770)	-	-
	15,141,511	15,711,784	16,754,449	16,918,286

Warrant reserve

Each 2010/2020 warrants were admitted, listed and quoted on the main market of Bursa Malaysia Securities Berhad on 13 April 2010 and will expire on 7 April 2020. Each said warrant in issue entitles the warrant holders to subscribe for new ordinary shares in the Company at an exercise price of RM1.00 per ordinary share at any time during the exercise period in accordance with the deed poll.

Warrants 2010/2020 exercised during the year resulted in 690,200 new ordinary shares being issued at RM1.00. The weighted average quoted price of shares of the Company at the time when the warrants were exercised was RM1.64.

The number of outstanding warrants as at 31 March 2016 is 61,073,193 (2015: 61,763,393).

24. DEFERRED TAXATION

The component of deferred tax liabilities and tax assets that are recognised during the financial year are as follows:

	GROUP AND COMPANY	
	2016 RM	2015 RM
Deferred tax liabilities:		
Capital allowances in excess of depreciation	238,066	-
Deferred tax losses:		
Unused tax losses	(238,066)	-
	-	-

The amounts of deferred tax assets that are not recognised in the statement of financial position are as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Unused tax losses	15,643,106	18,505,131	741,523	762,640
Unabsorbed capital allowances	95,885	4,327,276	2,690	710
Unabsorbed reinvestment allowances	5,581,423	5,581,423	-	-
Inventories written down	838,569	829,862	-	-
Others	-	16,517	-	2,352
	22,158,983	29,260,209	744,213	765,702

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

25. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Trade payables	1,699,787	2,032,615	7,123	650
Other payable, deposits and accruals	3,764,776	2,277,079	134,556	372,405
Amounts due to subsidiary companies – current accounts	-	-	-	373,038
	<u>5,464,563</u>	<u>4,309,694</u>	<u>141,679</u>	<u>746,093</u>

Credit terms of trade payables and other payables range from 30 days to 90 days.

In prior year, the amounts due to subsidiary companies and other payables are unsecured, non-interest bearing and repayable on demand.

The currency exposure profile of trade payables is as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Ringgit Malaysia	1,684,587	2,017,415	7,123	650
Sterling Pound	2,966	2,966	-	-
US Dollar	12,234	12,234	-	-
	<u>1,699,787</u>	<u>2,032,615</u>	<u>7,123</u>	<u>650</u>

The currency exposure profile of other payables and accruals is as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Ringgit Malaysia	3,764,776	2,219,206	134,556	372,405
US Dollar	-	57,873	-	-
	<u>3,764,776</u>	<u>2,277,079</u>	<u>134,556</u>	<u>372,405</u>

26. CAPITAL COMMITMENTS

	GROUP	
	2016 RM	2015 RM
Approved but not contracted for: Property, plant and equipment	<u>400,000</u>	<u>-</u>

27. OPERATING LEASE ARRANGEMENTS

	GROUP	
	2016 RM	2015 RM
The future minimum lease payments payable under non-cancellable operating leases contracted for as at the reporting date but not recognised as payable are as follows:		
Within one year	23,016	16,636
Between two to five years	73,152	1,920
	<u>96,168</u>	<u>18,556</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

28. CONTINGENT LIABILITIES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Secured				
Corporate guarantee given to subsidiaries' suppliers	-	-	465,454	806,500
Bank guarantee given to a third party	2,234,250	346,000	-	346,000
Corporate guarantee given to a subsidiary company	-	-	8,000,000	-

The contingent liabilities are secured by the company's short term deposits with a licensed bank as disclosed in note 20 to the financial statements.

29. SEGMENT INFORMATION

(a) Business segments

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

- (i) Manufacturing segment which is in the business of manufacturing and trading of ceramic pipes;
- (ii) Trading segment which is in the business of trading of ceramic wares and ceramic tableware; and
- (iii) Investments segment (formerly known as properties segment) which is investment holding (including rental income).

Management monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

29. SEGMENT INFORMATION (CONT'D)

(a) Business segments (cont'd)

	Manufacturing				Trading				Investments				Adjustments and eliminations				Per consolidated financial statements			
	Period from		Period from		Period from		Period from		Period from		Period from		Period from		Period from		Period from		Period from	
	Year ended	1/1/2014 to	Year ended	1/1/2014 to	Year ended	1/1/2014 to	Year ended	1/1/2014 to	Year ended	1/1/2014 to	Year ended	1/1/2014 to	Year ended	1/1/2014 to	Year ended	1/1/2014 to	Year ended	1/1/2014 to	Year ended	1/1/2014 to
	31/3/2016	31/3/2015	31/3/2016	31/3/2015	31/3/2016	31/3/2015	31/3/2016	31/3/2015	31/3/2016	31/3/2015	31/3/2016	31/3/2015	31/3/2016	31/3/2015	31/3/2016	31/3/2015	31/3/2016	31/3/2015	31/3/2016	31/3/2015
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
REVENUE AND EXPENSES																				
Revenue																				
External customers	33,584,278	52,333,613	15,438,424	15,563,057	4,016,300	192,000	-	-	-	-	-	-	-	-	53,039,002	68,088,670	-	-	-	-
Inter-segment sales	-	-	256,564	59,437	1,808,220	1,137,528	(2,064,784)	(1,196,965)	A											
Total revenue	33,584,278	52,333,613	15,694,988	15,622,494	5,824,520	1,329,528	(2,064,784)	(1,196,965)							53,039,002	68,088,670				
Results																				
Interest income	(45,248)	(39,272)	(53,624)	(112,142)	(2,702,445)	(1,214,900)	-	-	-	-	-	-	-	-	(2,801,317)	(1,366,314)	-	-	-	-
Dividend income	(11)	(8,218)	-	-	(176)	(275)	-	-	-	-	-	-	-	-	(187)	(8,493)	-	-	-	-
Amortisation of land use rights	-	-	-	-	-	37,294	-	-	-	-	-	-	-	-	-	37,294	-	-	-	-
Amortisation of intangible assets	106,968	133,711	28,983	36,228	-	-	-	-	-	-	-	-	-	-	135,951	169,939	-	-	-	-
Depreciation of property, plant and equipment	1,558,408	2,901,132	59,401	73,713	246,215	392,081	-	-	-	-	-	-	-	-	1,864,024	3,366,926	-	-	-	-
Depreciation of investment properties	-	-	-	-	8,000	10,000	-	-	-	-	-	-	-	-	8,000	10,000	-	-	-	-
Other material non-cash expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
/ (Income)	1,125,185	(80,966)	520,604	(124,126)	(13,538)	-	-	-	-	-	-	-	-	-	1,632,251	(205,092)	-	-	-	-
Segment profit/(loss)	27,371,766	5,894,545	(2,663,221)	(1,009,055)	6,132,353	(10,365,609)	(30,597,077)	80,264,198	C						243,821	74,784,079	-	-	-	-
Total Assets	26,739,148	30,934,652	20,515,331	16,337,356	266,626,488	285,326,551	(66,451,782)	(60,169,221)	D						247,429,185	272,429,338				
Assets																				
Additions to non-current assets (property, plant and equipment and intangible assets)	6,011	907,661	241,258	32,870	215,873	1,086,578	-	-	-	-	-	-	-	-	463,142	2,027,109	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

29. SEGMENT INFORMATION (CONT'D)

NOTES

A Inter-segment revenues are eliminated on consolidation.

B Other material non-cash expenses/(income) consist of the following items:

	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Bad debts written off	84,952	5,000
Unrealised gain on foreign exchange	-	(80,966)
Reversal of inventories written down	(399,414)	(470,404)
Inventories written down	873,279	386,278
Reversal of allowance for impairment on receivables	(112,069)	(45,000)
Impairment loss on property, plant and equipment	1,125,185	-
Property, plant and equipment written off	60,318	-
	<u>1,632,251</u>	<u>(205,092)</u>

C Reconciling items of total reportable segments' profit/(loss) to the Group's profit for the year:

	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Share of profits of associated companies	1,819,793	350,224
Results of non-reportable segment	(5,437)	1,215,342
Inter-segment elimination	(32,411,433)	78,698,632
	<u>(30,597,077)</u>	<u>80,264,198</u>

D Reconciling items of total reportable segments' to the Group's assets:

	2016 RM	2015 RM
Investment in subsidiaries	(26,800,002)	(23,800,004)
Non-reportable segment's total	180,211	1,513,806
Inter-segment balance	(39,831,991)	(37,883,023)
	<u>(66,451,782)</u>	<u>(60,169,221)</u>

In current year, a subsidiary that was previously reported in the non-reportable segment as dormant is included in investments segment.

The comparative information for the above segment has been restated to conform with the current year presentation.

In current year, a subsidiary that was previously reported in the non-reportable segment as dormant is included in trading segment.

The comparative information for this has not been restated due to this subsidiary company was dormant and there is no material financial effect to the Group's profit for the year ended 31 March 2016.

The Group's non-current assets are located in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

29. SEGMENT INFORMATION (CONT'D)

NOTES (CONT'D)

The Group's revenue from external customers by location for customers:

	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Malaysia	52,695,478	65,075,244
Other	343,524	3,013,426
	53,039,002	68,088,670

There is no single customer that contributed 10% or more of the Group's revenue for the year ended 31 March 2016 and year ended 31 March 2015.

30. RELATED PARTY TRANSACTIONS

	GROUP Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM	COMPANY Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Operating lease – Rental expense charged by FCW Industries Sdn. Bhd., a company in which Tan Sri Dato' Tan Hua Choon, a director of the Company has interest	1,109,735	2,080,752	-	-
Insurance premium paid to Fleet Insurance Agency Sdn. Bhd., a company wholly-owned by a related company in which Tan Sri Dato' Tan Hua Choon is a director of the said company	362,020	429,307	354,435	44,675
Operating lease – Rental income from Federal Telecommunication Sdn Bhd., a company in which Tan Sri Dato' Tan Hua Choon, a director of the Company has interest	(36,000)	(45,000)	(36,000)	(45,000)
Management fee charged to Federal Telecommunication Sdn Bhd., a company in which Tan Sri Dato' Tan Hua Choon, a director of the Company has interest	(60,000)	(111,000)	(60,000)	(111,000)
Management fees charged to subsidiary companies	-	-	(390,720)	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

30. RELATED PARTY TRANSACTIONS (CONT'D)

	GROUP		COMPANY	
	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Operating lease – Rental income from Bath Deco Marketing Sdn. Bhd., a company in which a director of a subsidiary company has interest	(48,000)			
Operating lease – Rental expenses charged by Bath Deco Marketing Sdn. Bhd., a company in which a director of a subsidiary company has interest	21,000	-	-	-
Purchase of products from Bath Deco Marketing Sdn. Bhd., a company in which a director of a subsidiary company has interest	943,368	-	-	-
Sales of products to Bath Deco Marketing Sdn. Bhd., a company in which a director of a subsidiary company has interest	(131,939)	-	-	-
Purchase of property, plant and equipment from Bath Deco Marketing Sdn. Bhd., a company in which a director of a subsidiary company has interest for a total consideration of	70,000	-	-	-
Operating lease – rental expense charged by a subsidiary company	-	-	248,752	218,206
Purchase of products from SH Timber Sdn. Bhd. a company in which a person connected to a director has interest	-	78,613	-	-
Disposal of properties to Keladi Maju Berhad, a company in which certain directors of the Company have interests for a total consideration of	-	192,369,465	-	5,323,143
Operating lease – Rental expenses charged by JKG Central Park Sdn. Bhd., a company in which Tan Sri Dato' Tan Hua Choon and Dato' Sri Tan Han Chuan have interest	4,034,493	-	-	-
Compensation receivable from JKG Central Park Sdn. Bhd., a company in which Tan Sri Dato' Tan Hua Choon and Dato' Sri Tan Han Chuan have interest	(2,450,000)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

for the year ended 31 March 2016

31. DIVIDEND PER SHARE

	GROUP AND COMPANY	
	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Approved and paid:		
First single-tier interim dividend of 12% per ordinary shares of RM1.00 each (2015: Nil)	22,392,340	-
Second single-tier interim dividend of 3% per ordinary shares of RM1.00 each (2015: Nil)	5,598,085	-
Proposed:		
Nil (2015: First single-tier interim dividend of 12% per ordinary shares of RM1.00 each)	-	22,392,340
Nil (2015: Second single-tier interim dividend of 3% per ordinary shares of RM1.00 each)	-	5,598,085
	<u>27,990,425</u>	<u>27,990,425</u>
Dividend per share	-	0.15

32. COMPENSATION OF KEY MANAGEMENT PERSONNEL

The key management personnel comprises directors having authority and responsibility for planning, directing and controlling the financial and operating policies of the Group entities and Company either directly or indirectly.

	GROUP		COMPANY	
	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM	Year ended 31/3/2016 RM	Period from 1/1/2014 to 31/3/2015 RM
Short term employee benefits (including monetary value of benefits in kind)	1,371,591	2,346,758	1,216,832	787,968

33. SUPPLEMENTARY INFORMATION

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Total retained profits/ (accumulated losses) of the Company and its subsidiaries				
- Realised	(92,036,205)	(93,922,197)	4,312,923	31,183,690
- Unrealised	-	80,966	-	-
	(92,036,205)	(93,841,231)	4,312,923	31,183,690
Total share of retained profits from associated companies				
- Realised	2,170,017	350,224	-	-
Add: Consolidation adjustments	111,760,800	143,101,417	-	-
Total retained profits as per consolidated financial statements/ financial statements	<u>21,894,612</u>	<u>49,610,410</u>	<u>4,312,923</u>	<u>31,183,690</u>

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

ANALYSIS OF SHAREHOLDINGS

as at 23 June 2016

A. SHARE CAPITAL

Authorised Share Capital	RM300,000,000 (300,000,000 ordinary shares of RM1.00 each)
Issued & Paid-Up Share Capital	RM186,602,833 (186,602,833 ordinary shares of RM1.00 each)
Voting Rights	One vote for each ordinary share held

B. DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Holders	No. of Shares	%
1 - 99	90	1,822	0.00
100 - 1,000	300	211,667	0.12
1,001 - 10,000	670	2,935,521	1.57
10,001 - 100,000	190	5,803,385	3.11
100,001 to less than 5% of issued shares	27	58,534,758	31.37
5% and above of issued shares	3	119,115,680	63.83
	1,280	186,602,833	100.00

C. THIRTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	%
1.	Tan Sri Dato' Tan Hua Choon	53,897,097	28.88
2.	Tan Sri Dato' Tan Hua Choon	41,452,983	22.21
3.	Tan Sri Dato' Tan Hua Choon	23,765,600	12.74
4.	Gan Lock Yong @ Gan Choon Hur	8,883,400	4.76
5.	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Huey Peng	8,000,000	4.29
6.	Lim Siew Sooi	7,934,900	4.25
7.	Neoh Poh Lan	7,449,700	3.99
8.	Ong Poh Lin	7,416,700	3.97
9.	Chew Huat Heng	3,800,000	2.04
10.	Ong Wee Shyong	2,443,300	1.31
11.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for How Yoke Kam	2,158,900	1.16
12.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Exempt An for Bank of Singapore Limited	1,500,000	0.80
13.	Chew Boon Seng	1,301,058	0.70
14.	Ong Har Hong	1,152,900	0.62
15.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB Bank for Koh Kin Lip (MY0502)	1,000,000	0.54
16.	Fang See Khung	926,600	0.50
17.	Fang Kon Wing	875,600	0.47

ANALYSIS OF SHAREHOLDINGS (CONT'D)

as at 23 June 2016

C. THIRTY LARGEST SHAREHOLDERS (CONT'D)

No.	Name of Shareholders	No. of Shares	%
18.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB Bank for Rickoh Corporation Sdn Bhd (MY0507)	715,500	0.38
19.	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Eng Huat	658,400	0.35
20.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yeong Sin Khong	467,900	0.25
21.	Lee Pui Inn	300,800	0.16
22.	Goh Leong Chuan	270,000	0.14
23.	Yau Teck Kong	227,800	0.12
24.	RHB Nominees (Tempatan) Sdn Bhd RHB Asset Management Sdn Bhd for Ignatius Chan Keng Hock (EPF)	190,000	0.10
25.	Lim Thiam Sang	171,500	0.09
26.	Leong Liew Geok	160,000	0.09
27.	Tay Lee Ling	155,900	0.08
28.	Sin Len Moi	144,000	0.08
29.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Foo Howe Kean	120,000	0.06
30.	Sang Lee Company Sdn Bhd	109,900	0.06

Remarks:

The shareholding of each person are disclosed herein without aggregating the shares from different securities accounts belonging to the same person.

D. SUBSTANTIAL SHAREHOLDER

Name of Shareholder	No. of Shares	%
Tan Sri Dato' Tan Hua Choon	119,115,680	63.83

E. DIRECTORS' INTERESTS IN SHARES

Name of Directors	Direct Interest		Deemed Interest	
	No. of Shares	% of holdings	No. of Shares	% of holdings
Tan Sri Dato' Tan Hua Choon	119,115,680	63.83	-	-

ANALYSIS OF WARRANT HOLDINGS

as at 23 June 2016

A. WARRANTS 2010/2020

Issued	61,918,993
Exercised to date	845,800
Outstanding	61,073,193
Class of Securities	Warrants 2010/2020
Voting Rights	Every warrant holder present in person or by proxy shall be entitled by a show of hands to one (1) vote and every warrant holder present in person or by proxy shall be entitled on a poll to one (1) vote for each share to which such holder would be entitled at the exercise price on the exercise in full of the Exercise Rights represented by such holder's warrant.

B. DISTRIBUTION OF WARRANT HOLDINGS

Size of Holdings	No. of Holders	No. of Warrants	%
1 - 99	60	2,196	0.00
100 - 1,000	130	100,587	0.17
1,001 - 10,000	270	1,132,370	1.85
10,001 - 100,000	78	2,251,950	3.69
100,001 to less than 5% of issued warrants	17	11,297,900	18.50
5% and above of issued warrants	3	46,288,190	75.79
	558	61,073,193	100.00

C. THIRTY LARGEST WARRANT HOLDERS

No.	Name of Warrant Holders	No. of Warrants	%
1.	Tan Sri Dato' Tan Hua Choon	17,965,699	29.42
2.	Tan Sri Dato' Tan Hua Choon	14,255,200	23.34
3.	Tan Sri Dato' Tan Hua Choon	14,067,291	23.03
4.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for How Yoke Kam	1,641,500	2.69
5.	Neoh Poh Lan	1,517,500	2.48
6.	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Eng Huat	1,313,500	2.15
7.	Ong Poh Lin	1,132,800	1.85
8.	Chew Huat Heng	1,100,000	1.80
9.	Ng Chai Yong	849,800	1.39
10.	Ong Wee Shyong	810,100	1.33
11.	Lee Pui Inn	702,900	1.15
12.	Sow Huey Shan	615,000	1.01
13.	Ong Har Hong	384,300	0.63
14.	Hou Kok Chung	360,000	0.59
15.	Sin Len Moi	296,500	0.49

ANALYSIS OF WARRANT HOLDINGS (CONT'D)

as at 23 June 2016

C. THIRTY LARGEST WARRANT HOLDERS (CONT'D)

No.	Name of Warrant Holders	No. of Warrants	%
16.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yeong Sin Khong	138,200	0.23
17.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chan Chi Fei (E-BBB)	110,000	0.18
18.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Eg Kaa Chee (STC)	109,900	0.18
19.	Chai Koon Khow	108,900	0.18
20.	Lim Mooi Tean	107,000	0.18
21.	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Fong Kok Sang (REM 181-Margin)	88,000	0.14
22.	Maybank Nominees (Tempatan) Sdn Bhd Chua Eng Ho Wa'a @ Chua Eng Wah	83,500	0.14
23.	AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chai Ngew	80,000	0.13
24.	Lok Wei Seong	75,000	0.12
25.	Yap Zhi Chau	60,000	0.10
26.	Dan Yoke Pyng	59,900	0.10
27.	Quek Ngee Meng	57,000	0.09
28.	Chin Swee Kee @ Chin Kuen Kee	56,000	0.09
29.	AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mok E. King	51,000	0.08
30.	Kew Chin Fah	50,000	0.08

Remarks:

The warrant holding of each person are disclosed herein without aggregating the warrants from different securities accounts belonging to the same person.

D. DIRECTORS' INTERESTS IN WARRANTS

Name of Directors	Direct Interest		Deemed Interest	
	No. of Warrants	% of holdings	No. of Warrants	% of holdings
Tan Sri Dato' Tan Hua Choon	46,288,190	75.79	-	-

LIST OF GROUP PROPERTIES

LOCATION / ADDRESS MUKIM BANDAR KUNDANG SELANGOR DARUL EHSAN	LAND AREA (SQ. METER)	TENURE	EXISTING USE	APPROXIMATE AGE OF BUILDING (YEARS)	NET BOOK VALUE OF PROPERTIES IN EXISTINGS STATE (RM)	DATE OF ACQUISITION
Lot no: 0021928	268	Freehold	Shoplot	15	358,000	1998

GOH BAN HUAT BERHAD

(Company No. 1713-A) (Incorporated in Malaysia)

PROXY FORM

I/We..... NRIC No./Company No.
(FULL NAME IN BLOCK LETTERS)

of.....
(FULL ADDRESS)

being a member of **GOH BAN HUAT BERHAD** hereby appoint

..... NRIC No.
(FULL NAME IN BLOCK LETTERS)

of.....
(FULL ADDRESS)

representing.....percentage (%) of my/our shareholdings in the Company and/or failing him/her

..... NRIC No.
(FULL NAME IN BLOCK LETTERS)

of
(FULL ADDRESS)

representing percentage (%) of my/our shareholdings in the Company and/or failing him/her/ them, the **Chairman of the Meeting** as my/our proxy/proxies to vote for me/us on my/our behalf, at the Sixty-Ninth Annual General Meeting ("69th AGM") of the shareholders of the Company to be held at Bukit Kiara Equestrian and Country Resort, Dewan Berjaya Room, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Malaysia on Thursday, 22 September 2016 at 10.30 a.m. or any adjournment thereof.

My/our proxy shall vote as follows:

Ordinary Business	FOR	AGAINST
Ordinary Resolution No. 1 (a)		
Ordinary Resolution No. 1 (b)		
Ordinary Resolution No. 2(a)		
Ordinary Resolution No. 2(b)		
Ordinary Resolution No. 2(c)		
Ordinary Resolution No. 3		
Ordinary Resolution No. 4		
CDS Account No.		
No. of shares held		

Signature(s)/Common Seal

Signed this _____ day of _____ 2016.

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies (but not more than two) to attend and vote instead of him. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. Where a member appoints two (2) proxies to attend the same meeting, the member shall specify the proportion of his shareholding to be represented by each proxy, failing which the appointment(s) shall be invalid.
2. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it shall be entitled to appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one 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.
4. Where an authorised nominee or an exempt authorised nominee appoints more than one proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
5. Depositors whose names appear in the Record of Depositors on a date not less than three (3) market days before the Annual General Meeting shall be entitled to attend and vote at the Annual General Meeting or appoint a proxy to attend, speak and vote on his behalf.
6. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
7. The Proxy Form shall be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

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GOH BAN HUAT BERHAD (1713-A)
c/o Messrs Tricor Investor & Issuing House
Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

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