NTPM HOLDINGS BERHAD (384662-U)

启顺造纸业有限公司

(Incorporated in Malaysia)

Reflecting on 40 years in service

Annual Report 2015

Reflecting on 40 years in service

Today, as we celebrate our 40th anniversary we reflect back on our years of hard work and dedication, remembering our valued and loyal supporters who have undoubtedly contributed to the success of our company for it takes two, a company and its supporters to bring on 40 successful years and with that, we would like to say "Thank You" for your valued support and for going green with us. We couldn't have done it without you.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Teoh Boon Beng @ Teoh Eng Kuan
Non-Independent Non-Executive Chairman

Lee See Jin
Managing Director

Lee Chong Choon
Executive Director

Dr. Teoh Teik Toe
Non-Independent Non-Executive Director

Lim Han Nge
Senior Independent Non-Executive Director

Chang Kong Foo
Independent Non-Executive Director

Teoh Teik Lin
Alternate Director to Dato' Teoh Boon Beng @ Teoh Eng Kuan, Non-Independent Non-Executive Director

AUDIT COMMITTEE

Chang Kong Foo
Independent Non-Executive Director, Chairman

Lim Han Nge
Senior Independent Non-Executive Director, Member

Dr. Teoh Teik Toe
Non-Independent Non-Executive Director, Member

NOMINATING COMMITTEE

Lim Han Nge
Senior Independent Non-Executive Director, Chairman

Chang Kong Foo
Independent Non-Executive Director, Member

Dr. Teoh Teik Toe
Non-Independent Non-Executive Director, Member

HEAD OFFICE

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COMPANY SECRETARY

Thum Sook Fun (MIA 24701)

REGISTERED OFFICE

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AUDITORS

Ernst & Young
Chartered Accountants,
21st Floor, MWE Plaza,
No. 8, Lebuh Farquhar,
10200 Pulau Pinang.

PRINCIPAL BANKERS

Bank of Tokyo-Mitsubishi UFJ (Malaysia) Berhad
CIMB Islamic Bank Berhad
Citibank Berhad
Hong Leong Bank Berhad
HSBC Bank Malaysia Berhad
Malayan Banking Berhad
United Overseas Bank (Malaysia) Bhd

SHARE REGISTRAR

Securities Services (Holdings) Sdn Bhd
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STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name NTPM
Stock Code 5066

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of NTPM Holdings Berhad ("NTHB" or "Company"), it is my pleasure to present to you the Annual Report, Directors' Report and Audited Financial Statements of the Group and the Company for the financial year ended 30 April 2015 ("FY2015").

REFLECTING ON 40 YEARS IN SERVICE

We started with tissue mill business in Nibong Tebal in 1975 and this year marks our 40th anniversary. We have come a long way in 4 decades. From one paper-making machine producing paper rolls with initial production capacity of 5 tons per day in 1979 to more than 120,000 tons per year produced from three locations in Nibong Tebal, Bentong and Vietnam today. Our first business diversification came in 2002, when we started the trading of facial cotton under the brand name "Premier". Since then, we have successfully diversified to feminine hygiene, diapers and recently wet wipes and baby wipes. The initial capital seed of RM0.8 million is worth approximately RM800 million in today's market value, a multiple of 1,000 times of the initial start-up capital and this is excluding the dividend payout that we have paid yearly.

Over time the Group has grown from strength to strength and is recognized as one of the fastest growing fast moving consumer goods ("FMCG") companies in Malaysia with a history of uninterrupted annual growth. The Group grew fast in the last 15 years and by performing consistently we have gained significant market share. Today, we stand strong as a clear leader in the tissue and facial cotton segment whereas we are not far behind in other products category. In Malaysia, the Group provides work to over 2,500 employees in two tissue manufacturing plants, three personal care plants and seven distribution centers, located in various sites across the country.

NTHB management team benefits from extensive hands on experience and is known for its ability to compete with international brands. At the same time, being a Malaysian company, we are in better position to understand the needs of consumers in the local market by offering the right product in our targeted segment. Today, we offer Malaysian consumers thousands of quality products marketed under several key brands in various consumer categories:-

Home and Away From Home paper products – tissue, paper towels and serviettes under the brands Premier, Cutie, Royal Gold, ConV and Budget

Feminine Hygiene products – under the brand Intimate

Baby and Adult Diapers – under the brand Diapex

Cotton products – under the brand Premier

Wet wipes and Baby wipes – under the brand Premier

FINANCIAL RESULTS

During the financial year under review, the Group has achieved total revenue of RM547.5 million which was 1.1% or RM6.1 million higher than RM541.4 million recorded in the financial year ended 30 April 2014 ("FY2014"). The Group's revenue was flat as we met with the challenges of weak consumer spending in Malaysia due to inflationary pressures while we continued to face an overcapacity issue regionally which dented the growth in export segment.

The Group's consolidated Profit Before Taxation ("PBT") recorded at RM59.3 million, representing a decrease of 15.1% or RM10.6 million as compared to preceding year's PBT of RM69.9 million. The decrease in the Group's profitability was due to the erosion of profit margin and increase in financial cost. We were riddled with various challenges - increasing fuel cost, labour cost and electricity tariff, weakening of Ringgit Malaysia ("RM") against the United States Dollar ("USD"), Vietnam tissue plant's pre-operation losses, imbalance in the supply and demand structure outside Malaysia and growing tissue capacities of other countries namely China and Indonesia pressuring demand, prices and margins in ASEAN and Oceania region. Correspondingly, Net Profit Attributable to Shareholders dropped 20.9% to RM42.6 million due to higher effective tax rate in FY2015.

The Group's balance sheet remained healthy with shareholders equity increased to RM360.3 million from RM340.4 million previously. We continue to manage our Group funding on an optimal debt-equity mix with cash and bank balances of RM37.4 million and bank borrowings of RM191.1 million, translating to net gearing ratio of 30%. This is despite having invested RM93.1 million in property, plant and equipment in FY2015.

DIVIDEND

The Board is not recommending any final dividend for the financial year under review. Nevertheless, an interim dividend of 7.25% (0.725 sen per share) was paid out on 16 April 2015. The total dividend for FY2015 will be 7.25% (0.725 sen per share) which is lower than the total dividend paid in FY2014 of 29% (2.90 sen per share).

The lower interim dividend and the reason we are not recommending any final dividend for FY2015 are in light of the current financial year's higher carrying bank borrowings, weaker performance and after considering the Group's funding requirements, coupled with the Group's outlook, prospective plans in the coming financial year set in preceding paragraphs and the Managing Director's view of the Group's future challenges and strategies. The Board collectively feels, it is appropriate for NTHB to conserve its financial resources so that the Group can continue to expend on capital, operating and investing expenditure for improvements and diversification, without having to resort to shareholders for funds for the mentioned purposes.

CORPORATE SOCIAL RESPONSIBILITY

NTHB believes in doing business by the rules of the country and society and definitely believes in Corporate Social Responsibility. Our progress should be measured not only by our financial performance, but also by the impact we have on our communities and environment. In 2014, we took many important steps to promote our corporate social responsibility efforts, especially in the personal care segment. We initiated action plans to salvage the rejected personal care's raw materials from going to landfills.

The diapers and raw cotton reclamation project are further elaborated in the Corporate Social Responsibility Statement set out in a separate section of this Annual Report. We are also increasing our efforts to improve the working conditions of our workforce, and support our communities financially as well as providing assistance through our established brands.

INVESTORS' RELATIONS

The Group values open, constructive and effective communication with our shareholders. In FY2015, either the Managing Director or Chief Executive Officer continues to meet with a number of research analyst, fund managers, institutional investors and industry representatives to answer their questions and doubts to gain a better understanding of the Group's policies and business operation in particular how the Group has been coping with the tough business environment in a very challenging second half of 2014.

PROSPECT AND OUTLOOK

The next financial year will continue to present challenges to the Group due to high inflation, volatile currency and the implementation of Goods and Services Tax ("GST") effective 1 April 2015. Due to the general rise in prices of goods and services after the GST implementation, most analytical researches believe that consumer spending will grow at much lower pace compared to previous year, as consumers take on a more cautious approach. The recent continuous hike in fuel prices will only dent consumers spending power further.

On the external front, there were uncertainty in the Eurozone, the spread of Middle East Respiratory Syndrome and the volatile global equities hurting consumer sentiment. China's slower growth will have knock-on effects on commodity exporters, while a rise in interest rates in the USA will have immediate impacts on some emerging countries' current account balances and currencies. Capital outflows and a stronger US dollar will drive foreign exchange depreciations in Malaysia. The tissue industry in Asia Pacific would likely continue to face harsh competition among local manufacturers as a result of imbalance in the supply and demand following a period of unprecedented capacity increases in China and Indonesia.

In line with weakening of the broader economy and rising costs, the Board is of the view that the outlook for NTHB is challenging this year. Nonetheless, we expect earnings to remain stable due to the cost savings project we had initiated in FY2015 of which the benefits will spill over in the coming financial year. We are seeking new retail touch points and product lines for the Group's top line expansion, and we are confident to achieve this given our strong brand, market and distribution presence in Malaysia. We are also looking to expand more aggressively outside Malaysia, particularly in Vietnam and Thailand. This, together with the support of the steady population growth in Malaysia and ASEAN region make us to believe our long-term prospect remain positive.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I would like to express our sincere appreciation to the management and staff for their loyal and dedicated services in helping to guide NTHB through the year's challenges. I also want to acknowledge the Board of Directors for their invaluable guidance, counsel and strong sense of responsibility in undertaking their duties to the Group. I am inspired by their unwavering commitment and thank them for their continuous support.

I also wish to sincerely thank our valuable customers, suppliers, bankers, business associates, advisers and relevant authorities which we have been dealing with over the years for their continuing support and unwavering confidence in us. Last but not least, on behalf of the Board, I wish to thank all our valued shareholders for their loyalty and trust in the Group.

Date: 11 August 2015

本人欣然地代表董事局提呈本集团及本公司截至2015年4月30日财政年（2015财政年）的常年报告及经审查的财务报表。

回顾40年的服务

本集团于1975年在高渊开始制造纸巾的业务，今年已迈入40周年。40年是一条漫长的道路。在1979年，我们只拥有一架每天只能制造5吨卷筒纸的机器到目前拥有三个生产地点,既位于高渊、文冬及越南的工厂，每年可生产超过120,000吨产品的规模。从2002开始，本集团的业务逐渐多元化，并开始推出 ‘Premier’品牌的化妆棉。我们也成功开发女性卫生用品、纸尿片及最近推出的湿纸巾及婴儿湿纸巾。我们的初期启动资金价值已提高了1,000倍。从原本80万令吉的本金提高到目前约8亿令吉市场价值，这尚未包括本集团每年所派发股息。

随着本集团的成长，NTHB已成为马来西亚快速消费品(FMCG)领域中，成长最快及年增长率不间断成长的公司。我们在过去15年不断地迅速成长，并持续取得显著的市场占有率。目前，本集团是纸巾及化妆棉产品业者中的佼佼者，而其他类别的产品排位也不落人后。在马来西亚，我们的两间纸巾制造厂、三间个人护理制造厂及位于全国各地的7个分销中心共提供了超过2,500个工作机会。

NTHB管理团队拥有丰富的经验及与国际品牌竞争的能力。同时，身为一家马来西亚的本土公司，我们占据优势，更能深入了解本地市场及消费者的需求，并提供更优良品质的产品。目前，我们为马来西亚消费者提供了成千上万的高品质产品。以下是本集团各大产品的主要品牌: –

家庭和非家庭用户纸张系列 – Premier, Cutie, Royal Gold, ConV及Budget品牌的纸巾、厨房纸巾及餐巾。

女性卫生产品 – Intimate 品牌

婴儿 和成人纸尿片 – Diapex品牌

棉花产品 – Premier 品牌

湿纸巾及婴儿湿纸巾 – Premier 品牌

财务报告

在审查财政年度，本集团成功取得5亿4750万令吉的总收入，超越了2014年4月30日财政年度的5亿4140万令吉，相等于增长了1.1%或610万令吉。在通膨的压力下，马来西亚的消费出现疲软，再加上本区域出现产能过剩的状况，导致本集团的收入持平。

本集团税前总盈利为5930万令吉，比去年的税前总盈利6990万令吉下降了15.1%或等于1060万令吉。我们的盈利会减少是因为利润被削弱及财务费用增加而引起的。我们周围充斥着各种的挑战-燃料成本的增加、劳资的增加和电费的调涨、马币兑美元的疲弱、位于越南的纸巾厂面对前期操作的亏损、马来西亚以外的国家出现不平衡的供应和需求，和有着大量生产能力的中国和印尼对东盟及大洋洲地区做出过量供应、价格及利润的施压。为此，随着2015年较高的有效税率，本集团能提供给股东的净利润下跌了20.9%，达致4260万令吉。

本集团的资产负债表依然稳健，股东的权益从较前一个财政年的3亿4040万令吉提高至3亿6030万令吉。虽然在2015财政年，本集团已投资9310万令吉在产业、厂房及器材上，我们依然处于良好债务资金管控里， 3740万令吉的现金和银行余额及1亿9110万令吉的银行贷款，把净资产的负债率管控在30%。

股息

董事局今年并不建议派发任何的末期股息。不过，2015年4月16日所支付的中期股息是7.25%（每股0.725仙）。2015财政年所支付的总股息是7.25%（每股0.725仙），这较2014年度所支付的29%（每股2.90仙）来得低。

本集团在2015年派发较低的中期股息及不建议派发末期股息，是因为本集团目前需要承担更高的银行贷款、面对比预期较低的表现及考虑到未来的资金需求，再加上集团的前景，未来的计划，并结合董事经理对集团未来的挑战及策略后，所做出的决定。董事局认为，NTHB适当的节约财政资源，可让集团将资金流量投入在改善及使产品多元化方面，以降低挪用股东的资金。

企业社会责任

NTHB认为，一个遵守国家原则及关心社会的企业集团，一定会推行企业社会责任。本集团的成长不应只注重业绩表现，更要以对社区和环境的影响来做出衡量。在2014年，本集团作出许多努力，尤其是通过个人护理产品来推动我们的企业社会责任。本集团启动了避免个人护理产品的不合格原料成为填土区的物品。随本年度报告发出的独立企业社会责任报告中，将阐述有关报废的尿片和棉花的回收计划。同时，本集团将改进员工们的工作环境，并透过本集团的著名品牌，来协助及资助我们的社区。

投资者关系

本集团非常重视股东们，实行开放、有建设性及有效的双向沟通。在2015年度，无论是董事经理或首席执行员陆续与多位分析师，基金经理，机构投资者和业界的代表会面，回答他们的问题和疑虑，并让他们更了解集团的策略及本集团的营运方式，尤其是本集团如何应对充满严峻挑战的2014下半年。

前景及展望

由于高通货膨胀、货币波动和2015年4月1日开始实行的消费税(GST)，接下来的财政年将持续充满挑战。由于GST实行后，商品和服务价格普遍上涨，大多数分析研究家认为，较去年比较，消费者的开支将低于往年，并将采取较为谨慎的消费态度。再加上近期连续上涨的燃油价格，只会进一步削弱消费者的消费能力。

在外来因素方面，欧元区的不稳定性、中东呼吸系统综合症和全球股市的波动皆影响了消费者的情绪。中国的经济增长放缓，将影响商品出口国，而美国的利率上升，对一些新兴国家的往来账户余额和货币有直接的影响。资本外流和美元走强将造成马来西亚的外汇贬值。由于中国及印尼的生产能力不断增加，并造成不平衡的供应及需求，在亚太地区的纸巾产业尤其是本地业者将面临非常激烈的竞争。

在整体经济疲软和成本上升的情况下，董事局认为，NTHB今年的前景是充满挑战的。尽管如此，本集团在2015年启动了成本节约项目，预计下一个财政年度的盈利将保持稳定。本集团正在寻求新的零售行业和开发新的产品种类以扩大集团的业务，我们有信心实现，因为我们在马来西亚拥有强大的品牌、市场及分销网络。我们期待并更积极扩大马来西亚之外的市场，特别是越南和泰国这两个国家。再加上马来西亚和东盟地区的人口稳定增长，使本集团相信长期前景仍然乐观。

鸣谢

我谨此代表董事局，感谢这一年来引领NTHB度过挑战、忠诚和热忱服务的管理层和员工们。我还要感谢不断给予指导、谘询并提供丰富经验的董事局成员。您们的坚定不移启发了我。

我还要衷心感谢一路给予支持和信任我们的客户，供应商，银行家，商业伙伴，顾问和相关部门。最后，我代表董事局，感谢所有尊贵的股东们对本集团的忠诚、信任和`支持。

日期： 2015年 8月 11日

MANAGING DIRECTOR'S REVIEW OF OPERATIONS

BUSINESS REVIEW - A COMPANY BUILT TO WITHSTAND DIFFICULT TIMES

Financial year ended 30 April 2015 ("FY2015") had indeed been a difficult year for our industry. We were spot on when we correctly predicted in the previous year's annual report forward looking statement which we pointed in the Chairman's prospect and outlook that NTPM Holdings Berhad ("NTHB") would faced with difficult market conditions.

The business overcame a slow start in the first half of FY2015 to post a full-year consolidated Profit Before Taxation ("PBT") of RM59.3 million, representing a decrease of 15.1% compared to preceding year's PBT of RM69.9 million. However, it is heartening to note that performance in the second half of FY2015 marked a solid rebound from the first half depressed results where the Group's PBT was 40.0% off against previous year corresponding period. Indeed, we finished FY2015 on the high note where the Group's Profit After Taxation ("PAT") improved materially in the fourth quarter and were 12.6% higher than the previous year corresponding quarter.

At NTHB, we have weathered difficult times in the past, and we know what needs to be done to drive our success moving forward. Both our tissue and personal care products have faced challenges since 2013 as the result of competitive pricing pressures, weak consumer demand, volatile exchange rates and highly inflationary pressure due to the increased in energy and labour costs. We have taken a number of significant steps to improve the performance of NTHB Group. We streamlined our list of initiatives and focused on three core areas: reducing costs, reducing wastages and offsetting volume pressure and price competition through new business deals. Execution in these targeted areas with well defined objective commenced at the end of second quarter of FY2015 and has been essential to help offset the headwinds facing this business. As a result of our efforts, we successfully regained our earnings growth momentum since the end of last year, although we still have work to do.

CAPITAL EXPANSION

Total capital expenditure for the period under review was the highest on record at RM93.1 million, up from RM57.6 million registered in the previous financial year, consisting mainly for manufacturing and distribution needs. One third of the spending was incurred to set-up the Vietnam tissue plant. We have also invested in additional capacity for 'pant' type baby diapers and toilet rolls converting machine while additional processing plant and distribution capacity have also been installed in Nibong Tebal and Kota Kinabalu respectively. As in previous years we also have made investments in areas of quality assurance and cost saving initiatives. We viewed these investments a necessity in anticipation of our on-going expansion plan and increasing market demand in near future.

PAPER SEGMENT

During the financial year under review, the Group's revenue for paper segment was flat at RM384.4 million, compared to RM380.6 million recorded in the previous financial year ended 30 April 2014 ("FY2014"). We continued to make our presence felt in the domestic front and Thailand market but our growth in these two market segments were mitigated by a slight drop in other export segment due to the spillover effect of strong competition resulted from over capacity from tissue manufacturers namely from China and Indonesia.

The Group's PBT from paper segment recorded at RM49.2 million, representing a decrease of 12.3% or RM6.9 million as compared to preceding year's PBT of RM56.1 million. The decrease in profit margin was affected mainly by the increasing cost of raw materials, wages, utility and the pre-operation costs incurred in the set-up of Vietnam tissue plant.

COMPLETION OF VIETNAM TISSUE PLANT IN FY2015

FY2015 marked a major milestone for the Group with the completion of installation and commercialisation of paper mill which specialized in the production of pulp based tissue paper in Vietnam making our first foray outside of Malaysia successful. The construction of USD6.3 million factory building was completed in October 2014. The size of this facility is 8,000 square meters, which is located at 10,000 hectares of land size at Vietnam-Singapore Industrial Park II ("VSIP II") Binh Duong is approximately 32 kilometers north of Ho Chi Minh city. After a slight delay in suppliers commissioning, the paper making machine with 30 tonne/ day together with other converting lines came on stream in early April this year.

For FY2015, losses from Vietnam operation activities amounted to RM4.3 million out of which RM0.7 million and RM0.8 million were attributable to depreciation and amortization of land use rights and interest expense respectively. The huge losses were mainly due to pre-operation expenses. The added cost to the Group was an investment which underpinned a long term strategy to ensure the Group's sustainability and our focus on the emerging markets of Vietnam. We believe Indo-China is one of the most promising and high-potential economic entities in the world that holds the key to future growth in the Fast Moving Consumer Goods ("FMCG") market as the increase in purchase consumption and favorable demographic composition will create a natural demand in this sector. Nevertheless, top and bottom line contributions from Vietnam operations is expected to be negligible compare to the Group's overall performances over the next three years.

PERSONAL CARE SEGMENT

After years of double-digit growth, the Group's personal care segment faced a challenging market environment in Malaysia in FY2015. In spite of this condition, the personal care division recorded revenue of RM163.2 million, a 1.5% increase on the previous financial year. Although gross profit margin was slightly reduced due to higher import input costs as the result of weakening Ringgit against the United States Dollar ("USD") and intensified market competition, the division achieved a notable segmental profit of RM10.1 million.

Years of success and solid growth have resulted in putting the personal care segment on a sound financial footing. This allows us to make the most of each business opportunity and create potential for continued expansion with focus on quality, sustainability and continued profitability. For the personal care segment, the year after FY2015 will be a year of consolidation as the Group seek to maximise returns from existing business units while investing in new synergistic products.

During FY2015, our Personal Care Group completed construction of a new sanitary napkin and cotton manufacturing and warehouse facility in Nibong Tebal, Penang. The first phase of sanitary napkins manufacturing facility commenced operations in the final quarter of FY2014 while the second phase of warehouse facility was completed in the second quarter of FY2015 and this new facility allows us the room to expand the baby diapers operation at the existing Parit Buntar plant in Perak of which we have added two baby diaper machines recently. The relocation of facial cotton facility to this site has also enabled us to facilitate the design and manufacture new products such as wet tissue and baby wipes from another site in Parit Buntar. In May 2015, we launched these two new products to complement our existing personal care products which comprises of baby diapers, sanitary napkins, facial cotton and adult diapers. Our investment in both infrastructure and machineries and as well as new products is part of our disciplined long term strategy to enable the Group to grow in spite of the adverse business environment and also to act decisively to grasp new opportunities as these arises.

FUTURE CHALLENGES & STRATEGY

There is no doubt that 2016 will continue to be present challenges in the local economy given its many deep rooted issues. Even the uncertainty in the global developments may come to have enormous consequences which will inevitably have a local impact. With our diverse connection, NTHB will keep a close watch on any signs of change that will impact the Group's business. Staying in the game has been key to our continued success and just like what we have done in the second half of FY2015, the Group stand ever ready to promptly respond to any challenges that may derail our efforts to sustain growth and profitability.

We intend to meet the challenges of weak consumer spending environment in Malaysia arising from the introduction of GST and energy prices by leveraging on improvement in product and price mix, effective consumer campaigns supported by our robust portfolio of brands as well as proactive strategies to achieve higher efficiency and effectiveness.

The implementation of the GST is going to change the dynamics of retail touch point which already accounts for the negative effects on small businesses, with sundry shops, traditional retailers and small hawkers closing down. In short, retail is at an inflection point although most of these closures have minimal impact on our Group's business. In fact it creates an opportunity for us to work more closely to collaborate with surviving retail stores to create a win-win proposition for both parties.

The tissue industry on the whole would likely continue to face tough competition due to over supply situation in this region. Thus, to meet the challenges ahead, we intend to better serve our local customers both in service and products. In addition, the Group will continue to explore the possibility of producing new paper products to ease the congested overseas tissue market segments. In product innovation, we chose unique colour design that is clearly differentiated from other facial tissues. We introduced Premier Colours by offering five different colours in the assortment, giving broad appeal among all user groups which our competitors will find hard to match our diversity. With such measures is expected to strengthen the Group's position in this competitive industry and minimize the market risk.

Having spent record capital expenditures in FY2015, we have already begun to take drastic action such as cutting back on warehouse and other non essential expansion and refocusing on manufacturing activity only to areas that provide the greatest near term cash returns or protect the Group's working interest. The savings from outflow of funds will be utilised to reduce borrowings and to reinforce the Group's existing core business. A stronger financial footing will also enable the Group to capitalise on any potential business opportunities that may arise in the near future.

Date: 11 August 2015

业务回顾 - 一个跨越困难时期的公司

截至2015年4月30日的财政年里，对本集团的行业而言，确实是艰难的一年。这正如在去年的报告中，主席在前景与展望中准确地预测了NTHB将面临艰难的市场趋势状况。

本集团克服了2015年上半年市场放缓的影响，并达到税前总盈利为5930万令吉，比去年的税前总盈利6990万令吉下降了15.1%。然而，值得欣慰的是2015年下半年的业绩有明显的反弹，而上半年的低迷与去年同期的税前总盈利相比，下降了40%。事实上，我们取得超越去年同季度的增长，本集团的税后总盈利在第四季度大幅度上涨，增加了12.6%。

NTHB经历过此前的艰辛时刻，让我们了解到如何才能促使我们的辉煌向前迈进。从2013年起，本集团的纸巾及个人护理产品都面临价格竞争的压力，消费需求疲软，汇率波动和受高通胀压力下，能源和劳力成本的增加。我们已经采取了一些显著步骤来改善NTHB集团的业绩。我们精简了几项新方案，并集中在三个核心领域：降低成本，减少浪费和通过新的商业交易抵消产量压力和价格的竞争。在2015年度第二季度末开始执行这些明确的目标，以帮助抵消对业务不利的因素。在我们的努力之下，本集团成功地重新获得自去年年底的盈利增长。

增资扩股权

今年的总资本支出，从去年财政年的5760万令吉提升至9310万令吉，是历年来最高，主要为迎合制造和分销需求。资本支出的三分之一是用于设立越南纸厂的费用。我们还投资了’裤’型婴儿纸尿裤和卫生纸加工机器。同时，也分别在高渊及哥打京那巴鲁（亚庇）的工厂安装额外制造容量及扩大分销网络。与往年一样，我们也有质量保证和成本节约措施方面的投资。我们认为这些投资是必要的，以应付正在进行的扩充计划及更高的市场需求量。

纸业部门

在本财政年度，相比2014年4月30日达到的3亿8060万令吉，本集团的纸业收入较为平淡，达致3亿8440万令吉。我们持续强占本地及泰国市场，但这两个市场的出口率略有下降的趋势，因为我们面对产量过剩的强大竞争对手—中国及印尼。

本集团的纸业部业务的税前总盈利记录为4920万令吉，与去年同期的5610万令吉比较下降了12.3%或690万令吉。利润率的下降主要原因是受原材料，工资，水电费及越南纸巾公司的经营前的费用所影响。

越南纸巾厂完工（2015年）

2015年是本集团的重要里程碑，在马来西亚以外的地区，越南设立生产纸巾厂取得成功。这个耗资630万美元的的建筑于2014年10月完工。这个厂占地8,000平方公尺，位于平阳省，拥有10,000公顷土地的越南 – 新加坡工业园II (VSIP II)内，距离胡志明市大约32公里。由于供应商的机器调试有稍微延迟，造成一天能生产30吨的造纸机及同其他加工生产线于今年4月初才开始投入生产。

对于2015的财政年，越南的营运活动已造成430万令吉的亏损，其中70万令吉和80万令吉分别是折旧、土地使用权及摊还利息的费用。巨大的亏损主要是来自营业前的支出。集团成本的增加是长远投资的策略，以确保本集团能专注于越南等新兴市场。我们相信中印半岛是世界上最有前途及具有发展潜力的世界经济体。同时，也是快速消费品（FMCG）强大购买力的消费群。尽管如此，如果与本集团的整体表现相比,我们预期在未来的三年里，越南顶线和底线的整体业务表现是微不足道的。

个人护理部门

经过多年的双位数增长，在2015财政年，本集团的个人护理部门，在马来西亚面临了一个具有挑战性的市场环境。在这种情况下，个人护理部门记录1亿6320万令吉的收入，与上一财政年度增加了1.5%。由于令吉兑美元的疲弱和激烈的市场竞争，造成较高的进口成本，续以造成利润略有减少，但此部门仍取得显著性的盈利，既1010万令吉。

多年的成功和稳健的增长让个人护理部门拥有稳固的财务基础。这使我们能够善用每一个商业机会，开创更多的潜力，注重品质，持续性发展和延续性的盈利。对个人护理部门来说，2015年过后就是巩固的一年，除了开发新的产品，本业务单位将是本集团寻求高回酬的单位。

在2015年，本集团的个人护理组顺利在槟城高渊设立新的卫生巾和棉花产品生产和仓库的设施。卫生巾制造工厂的第一阶段于2014年最后一个季度开始操作，而第二阶段的仓库设施于2015年第二个季度完成，这个新设施可以让我们扩大目前在霹雳州巴里文打的婴儿尿布操作量，近期我们也在那里添加了两架婴儿纸尿裤机器。巴里文打的面部棉花工厂也迁入此制造厂，这方便我们设计和制造新产品，如湿纸巾和儿童湿纸巾。在2015年5月，我们推出了此2项新产品，让我们的个人护理产品更为完善，其中包括婴儿尿布，卫生巾，面部棉花和成人尿布。我们把投资放在基础设施、机械以及新产品上，这是我们的长期战略的一部分，使本集团在面对恶劣的经营环境下，也可以采取果断地行动，并把握新的机遇。

未来挑战与策略

毫无疑问，由于本地经济面对许多根深蒂固的问题，2016年将继续面临当前的挑战。即使全球发展的不确定性，可能会产生巨大的后果，这将不可避免的对国内带来影响。我们透过不同形式的连接，NTHB将密切关注任何会影响本集团业务表现的变化。留意市场上的动静是我们持续成功的关键，就如本集团在2015年下半年，做出迅速的应对方式，以维持业务增长和盈利。

随着GST的推行和能源价格上涨，我们已做好准备迎接马来西亚消费者购买能力疲弱的现象。本集团将利用改进的产品和价格及有效的消费者宣传活动来塑造我们强大品牌组合，以及积极主动的策略，来取得更高的效率和效益。

GST的实施将改变零售行业，同时也造成小企业、百货商店,传统的零售商和小贩关闭。总而言之,这是零售行业的一个转折点，虽然部分企业关闭对本集团的业务影响微乎的其微。其实它创造了另一个机会，让我们更紧密地与持续经营的零售店合作，为双方创造双赢方案。

在这领域，过度供应的形势将使整个组织行业继续面临严峻的竞争。因此，为了迎接未来的挑战，我们会继续为本地客户提供更好的服务和产品。此外，本集团将继续研发生产新的纸制品的可能性，以缓解拥挤的海外纸巾市场。在产品创新中，我们选择了独特的颜色设计，来区别其他面部纸巾。我们推出的 Premier Colours 拥有五种不同的颜色，吸引了广泛的消费者，也让竞争对手无法捉摸我们的多样化。在这激烈的市场竞争中，我们预期这些措施将加强本集团在市场的地位，并把市场风险降到最低点。

经过2015财政年记录资本支出，我们已经开始采取行动如削减仓库和非必要的扩充和重新调整制造的活动，只专注在能提供短期的最大利润或现金，以保障本集团的运作。所节省的资金将被用于减少借款和加强本集团的现有核心业务。雄厚的资金基础能让本集团运用于未来具有潜力的商业机会。

日期： 2015年 8月 11日

DATO' TEOH BOON BENG @ TEOH ENG KUAN

Non-Independent Non-Executive Chairman

Dato' Teoh Boon Beng @ Teoh Eng Kuan, a Malaysian, aged 82, a Justice of Peace, was appointed to the Board of Directors of NTPM Holdings Berhad ("NTHB" or "the Company") as Non-Independent Non-Executive Chairman on 26 April 2000. He obtained the High School Certificate in 1954. He is a businessman with vast experience and knowledge in various business sectors including rice milling and oil palm. Currently, he operates a family owned rice mill. He was the president of Kedah Chinese Chamber of Commerce and Industries (KCCCI) from 2003 to 2007 and currently he is the advisor of the said organisation. He was also the vice-president of Associated Chinese Chambers of Commerce and Industry Malaysia (ACCCIM) from 2005 to 2007 and currently he is the honorary advisor of the organisation. He sits on the board of several private limited companies.

He is father of Mr. Teoh Teik Lin, an Alternate Director and a major shareholder of the Company and uncle of Dr. Teoh Teik Toe, a Non-Independent Non-Executive Director of the Company. He has no conflict of interest with the Group and has never been charged for any offence within the past ten years other than traffic offences, if any. He had attended all four Board of Directors' Meetings held in the financial year ended 30 April 2015.

LEE SEE JIN

Managing Director

Mr. Lee See Jin, a Malaysian, aged 76, was appointed to the Board of Directors of NTHB on 20 October 1996. He obtained the Higher School Certificate in 1960. He is the Managing Director of NTHB and a Director of all subsidiaries of NTHB. He is a founder of the Group and has been in the paper industry for more than 36 years. Over these years, he has gained in-depth experience and knowledge of the paper industry in Malaysia.

He is the father of Mr. Lee Chong Choon, an Executive Director and a major shareholder of the Company. He has no conflict of interest with the Group and has never been charged for any offence within the past ten years other than traffic offences, if any. He attended all four Board of Directors' Meetings held in the financial year ended 30 April 2015.

LEE CHONG CHOON

Executive Director

Mr. Lee Chong Choon, a Malaysian, aged 50, was appointed to the Board of Directors of NTHB on 10 November 1999. He is an Executive Director of NTHB and a Director of all the subsidiaries of NTHB. He holds a Diploma in Civil Engineering from the Singapore Polytechnic. He has extensive experience in process engineering and has provided the NTHB Group with technical manufacturing experience expertise. He was the Financial Controller of Nibong Tebal Paper Mill Sdn Bhd ("NTPM") from 1995 to 1997 and the Country Sales Manager of NTPM from 1997 to 1999. He has also been instrumental in spearheading the progress of the Group and the development of the Group's products.

He is the son of Mr. Lee See Jin, the Managing Director and a major shareholder of the Company. He has no conflict of interest with the Group and has never been charged for any offence within the past ten years other than traffic offences, if any. He attended all four Board of Directors' Meetings held in the financial year ended 30 April 2015.

DR. TEOH TEIK TOE

Non-Independent Non-Executive Director

Dr. Teoh Teik Toe, a Malaysian, aged 47, was appointed to the Board of Directors of NTHB on 9 July 2004. He is a Non-Independent Non- Executive Director of NTHB. He is also a member of the Nominating Committee and Audit Committee of the Company.

He has obtained two-doctorate degree, Doctor of Philosophy (PhD) in Computer Engineering from Nanyang Technological University (Singapore) and Doctor of Business Administration ("DBA") from University of Newcastle. He also obtained Bachelor of Law (2nd Upper), Master of Law from University of London and another Master of Law from University of Singapore ("NUS"). He is a chartered holder of Chartered Financial Analyst ("CFA"), fellowship holder of Association of Chartered and Certified Accountants ("FCCA") and chartered holder of Chartered Institute of Management Accountant ("CIMA"), Chartered Accountant of Singapore, Chartered Accountant of Malaysia, Certified Public Accountant ("CPA") in Australia and Accredited Tax Professional ("ATP") in Singapore. He was awarded Association of Chartered Accountants ("ACCA") Overall Top 30 in Singapore and 83 in the World. He also holds a degree of Bachelor of Science in Electrical Engineering (Hons), Master of Science in Computer Engineering, Master of Business from the University of Newcastle (Australia), Master of Business Administration from University of Southern Queensland (Australia) and Master of Accounting and Finance from University of Gloucestershire (UK). He is also a member of Mensa, Project Management Professional ("PMP") and Singapore Mediation Centre ("SMC"). His first job was a Software Engineer in Hewlett Packard, Singapore and is currently lecturing ACCA and CFA in several universities.

He is a nephew of Dato' Teoh Boon Beng @ Teoh Eng Kuan, the Non-Executive Chairman and a major shareholder of the Company. He has no conflict of interests with the Group and has never been charged for any offence within the past ten years other than traffic offences, if any. He attended all the four Board of Directors' Meetings held in the financial year ended 30 April 2015.

LIM HAN NGE

Senior Independent Non-Executive Director

Mr. Lim Han Nge, a Malaysian, aged 60, was appointed as the Independent Non-Executive Director of NTHB on 29 January 2003 and was subsequently re-designated as Senior Independent Non-Executive Director on 26 June 2003. He is the Chairman of the Nominating Committee and also a member of the Audit Committee of the Company.

He graduated from Coventry University, United Kingdom with a Bachelor of Arts (Honours) in Business Law. Thereafter, he qualified as a barrister (Lincoln's Inn, United Kingdom) in 1978 and was called to the Malaysian Bar in November 1979. He is a practicing advocate & solicitor and is currently a partner in the legal firm of Messrs. Jin-Nge & Co, Alor Setar. He is a Director of several private limited companies and is a legal adviser to several non-governmental organisations in Kedah.

He has no family relationship with other Directors and/or major shareholders of the Company, nor any conflict of interest with the Group and has never been charged for any offence within the past ten years other than traffic offences, if any. He attended all four Board of Directors' Meetings held in the financial year ended 30 April 2015.

TEOH TEIK LIN

Alternate Director, Non-Independent Non-Executive Director

Mr. Teoh Teik Lin, a Malaysian, aged 55, was appointed as Alternate Director to Dato' Teoh Boon Beng @ Teoh Eng Kuan who is a Non-Independent Non-Executive Chairman of the Company on 19 September 2008.

He graduated from University of Toronto, Canada with a Bachelor Degree in Commerce and later obtained a Master Degree in International Business Studies from University of South Carolina, USA. He began his career with a multi-national company and brings him with more than 20 years of experience in senior management role as well as the relevant experience in procurement, development and marketing of wood products. He currently serves on the Board of several private limited companies.

He is the son of Dato' Teoh Boon Beng @ Teoh Eng Kuan, the Non-Independent Non-Executive Chairman and also a major shareholder of the Company. He has no conflict of interest with the Group and has never been charged for any offence within the past ten years other than traffic offences, if any. He attended as an invitee for three out of four Board of Directors' Meetings held in the financial year ended 30 April 2015.

CHANG KONG FOO

Independent Non-Executive Director

Mr. Chang Kong Foo, a Malaysian, aged 62, was appointed as an Independent Non-Executive Director of NTHB on 19 September 2008. He is the Chairman of the Audit Committee and also a member of the Nominating Committee of the Company.

Mr. Chang graduated with a Bachelor in Management Studies from University of Waikato, New Zealand in 1978. He commenced his career with Audit Office in New Zealand for 2 years, was with a Big Four accounting firm for a year and a manager with an accounting firm in Butterworth for another 2 years.

Mr. Chang set up his Professional Practices in 1982 and received his audit licence in 1983. He is a member of the Malaysian Institute of Accountants, a member of the Certified Tax Institute of Malaysia, and he is also an authorised tax agent licensed under the Income Tax Act 1967. A liquidator since 1999, Mr. Chang Kong Foo is also a Certified Financial Planner (CFP™) since 2003.

Mr. Chang Kong Foo is the Chief Executive Officer of the Key Focus Group of companies providing a multitude of financial services to clients in the Northern Region. He is the Chairman of CAS International, a network of accounting and consulting firms.

He has no family relationship with other Directors and/or major shareholders of the Company, nor any conflict of interest with the Group and has never been charged for any offense within the past ten years other than traffic offenses, if any. He attended all four Board of Directors' Meetings held in the financial year ended 30 April 2015.

GROUP FINANCIAL HIGHLIGHTS

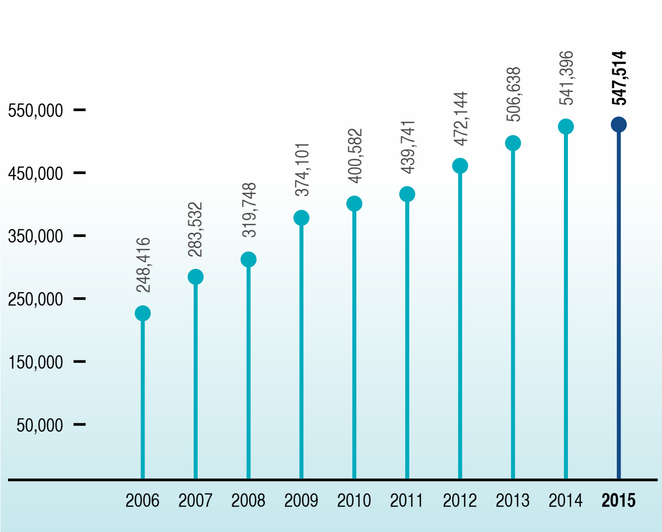
TEN-YEAR FINANCIAL SUMMARY

	2006 RM'000	2007 RM'000	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000	2015 RM'000
Revenue *	248,416	283,532	319,748	374,101	400,582	439,741	472,144	506,638	541,396	**547,514**
Operating Profit	28,072	40,291	43,989	60,719	76,531	69,426	63,028	71,522	73,711	**65,344**
Profit Before Tax ("PBT")	25,669	38,112	41,618	58,677	75,445	67,126	59,540	67,363	69,880	**59,318**
Net Profit Attributable to Shareholders of the Company	20,920	32,190	34,108	46,222	59,320	52,063	44,781	49,132	53,891	**42,642**
Shareholders' Fund / Net Assets	141,960	171,441	183,078	203,251	228,457	248,744	282,625	310,387	340,417	**360,325**
Weighted Average No. of Ordinary Shares in Issue ('000)	624,000	624,000	624,000	1,123,200	1,123,193	1,123,173	1,123,154	1,118,175	1,117,927	**1,123,173**
Net Assets Per Shares (RM) @	0.13	0.15	0.16	0.18	0.20	0.22	0.25	0.28	0.30	**0.32**
Net Dividends	14,364	21,119	25,272	29,428	32,572	32,572	16,286	32,382	32,572	**8,143**
Net Dividends Per Share (Sen) @	1.28	1.88	2.25	2.62	2.90	2.90	1.45	2.90	2.90	**0.73**
Earnings Per Share (Sen) @	1.86	2.87	3.04	4.12	5.28	4.64	3.99	4.39	4.82	**3.80**
Dividends Payout Ratio (%)	68.66	65.61	74.09	63.67	54.91	62.56	36.37	65.91	60.44	**19.10**

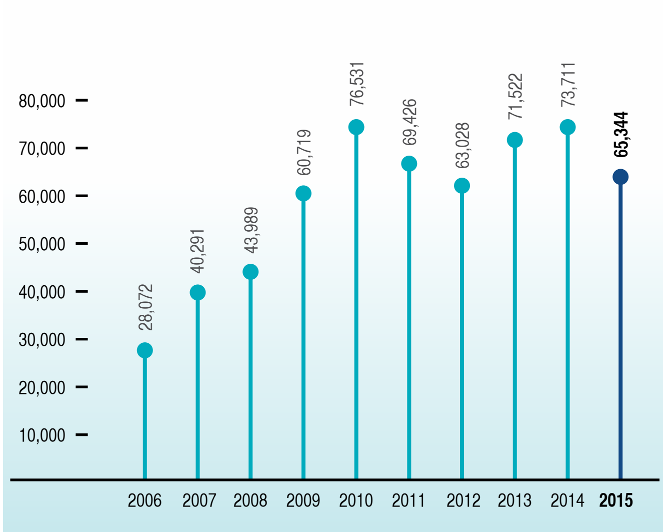
* Comparatives amount in the previous years have been restated to conform with current year's presentation

@ Computed based on enlarged number of ordinary shares in issue after bonus issue exercise which was completed on 7 April 2009

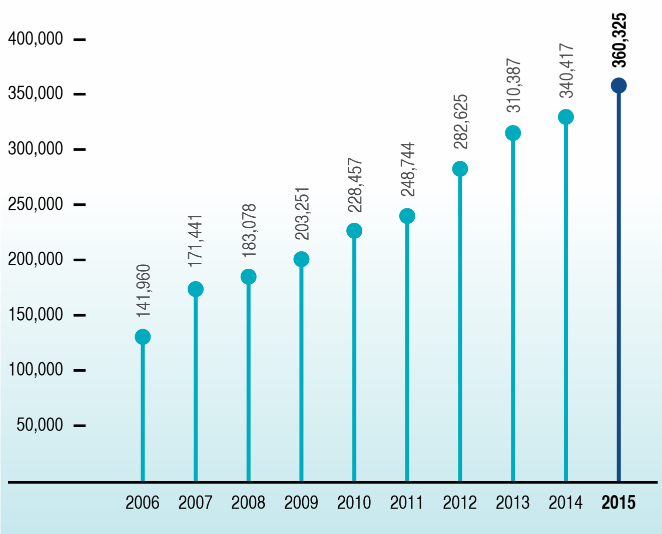
REVENUE (RM'000)



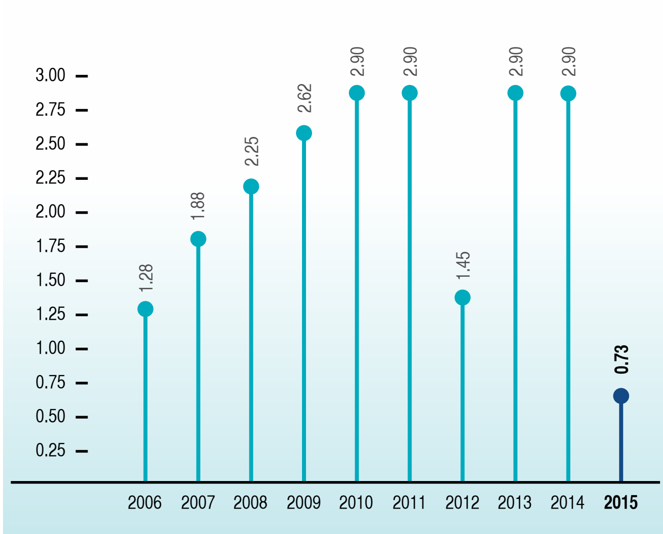
OPERATING PROFIT (RM'000)



SHAREHOLDERS' FUND



NET DIVIDENDS PER SHARE (SEN)



NTPM HOLDINGS BERHAD (384662-U)
启顺造纸业有限公司

(NTHB) Investment holding and provision of management services

MANUFACTURING

NTPM
NIBONG TEBAL PAPER MILL SDN. BHD. (22772-A)
Manufacturing and trading of paper products such as toilet rolls, tissues, serviettes and investment holding.

NTPC
NIBONG TEBAL PERSONAL CARE SDN. BHD. (228234-U)
Manufacturing and trading of personal care products such as sanitary products, baby diapers, facial cottons and adult diapers.

NTPP
NIBONG TEBAL PAPER PRODUCTS SDN. BHD. (839591-U)
Undertaking of paper product and printing related business and general trading.

NTT
NIBONG TEBAL TECHNOLOGY SDN. BHD. (202143-M)
Undertaking research and development activities on the production technology, biotechnology and recycling of waste materials related to paper industry.

NBSB
NTPM PAPER MILL (BENTONG) SDN. BHD. (943935-U) *
Manufacturing and trading of paper products mainly toilet rolls.

OVERSEAS INVESTMENT

NIPL
NTPM (INTERNATIONAL) PTE. LTD. (201220170K)*
Investment holding.

TRADING AND SERVICES

NTE
NIBONG TEBAL ENTERPRISE SENDIRIAN BERHAD (95077-H)
Trading in tissue paper and paper products, and trading in fast moving consumer goods (FMCG).

NTL
NIBONG TEBAL LOGISTICS SDN. BHD. (378479-H)
Provision of integrated logistics services.

NTIT
NIBONG TEBAL IT SDN. BHD. (500077-H)
Provision of information technology support and services.

OVERSEAS TRADING

NSPL
NTPM (SINGAPORE) PTE. LTD. (198600763K)
Importers and dealers in all kinds of tissue paper and paper products, and trading in FMCG.

NTCL
NTPM (THAILAND) CO., LTD. (0108454720303)
Importers and dealers in all kinds of tissue paper and paper products, and trading in FMCG.

OVERSEAS MANUFACTURING

NTPV
NTPM (VIETNAM) CO., LTD. (463043000393) @
Manufacturing, processing of tissue paper and products related to tissue paper and manufacturing semi-finished paper rolls.

Note : FMCG consist of sanitary napkins, baby diapers, adult diapers and cotton products.
* wholly owned by NTPM (Singapore) Pte. Ltd.
@ wholly owned by NTPM (International) Pte. Ltd.

As part of our efforts to ensure the Group's sustainable growth, the Board and Management are committed to the carrying out of responsible business practices which have positive impact on all our stakeholders that includes our customers, suppliers, employees, community and the environment in which we operate. We shall continue to integrate into our business philosophy several initiatives and measures to promote the effective protection of the environment, prudent use of natural resources, creation of value in the areas of workplace and generous contributions to charitable organisations, non-profit organisations and underprivileged members of the societies. Towards this end, the Group always supports corporate social responsibility practices in line with the corporate social responsibility framework launched by Bursa Malaysia Securities Berhad. During the year under review, our CSR efforts are as set out below:-

SUSTAINABLE BUSINESS PRACTICES

Businesses have an increasing social and environmental responsibility to establish sustainable practices and ours is no exception. We have taken steps in our processing facilities to limit production waste, implement environmentally friendly cooling systems and continually and vigorously audit our operations for environmental compliance.

Having learnt and understood the potential environmental impacts of our products and processes over the past decades, we have implemented rigorous and credible tools to reduce the amount of solid waste going to landfills by adopting the 3Rs – Reduce, Reuse and Recycle principles into our daily routine. Last year, the results from our study clearly showed that the major environmental burden had taken place in the production of raw materials. With that in mind, in 2014, we have managed with success to salvage the raw material cotton waste for reuse as substitute for cotton roll. Also, we are now in the final stage of our "Reject Diaper Reclamation Project" whereupon the completion of the project, we would be able to reuse the raw materials in the form of pulp and super absorbent polymer extracted from the rejected baby diapers for use in our new product, the incontinence pad for animals which is expected to be launched in the coming financial year. By incorporating waste into new product, we avoid shifting the environmental burden from one part of the life cycle to another.

Our newest sanitary napkins and facial cotton production warehouses are equipped with the well-insulated natural interior ventilation where the air flow of the cool air is trapped and recycled inside the building to encourage in-house warehouse ventilation and energy conservation. Maintaining a practicable temperature is a major determinant of comfort in the workplace that can prevent loss of concentration, tiredness, discomfort and fatigue, and thus create a conducive working environment for our employees.

On 23 May 2014, NTPM achieved the Forest Stewardship Council Chain of Custody (FSC-CoC") certification that promotes the practice of sustainability forestry where the wood pulp used to make our tissue paper is sourced in a manner that maintains the biodiversity, productivity and ecological balance found in forests. We are now gearing up our newest tissue plant in Vietnam to prepare for FSC certification as well to ensure our overseas customers are able to purchase our FSC certified tissue papers from multi sites.

Our main tissue plant is constantly inspected by independent third-party auditors throughout the year as part of our effort to develop more environmentally-efficient business practices where we believe good environmental stewardship and sustainability are part of an organisation's licence to operate. For the financial year ended 30 April 2015 ("FY2015"), our inspections are conducted under the umbrella of various audit schemes such as British Retail Consortium together with Institute of Packaging ("BRC-IoP") gap audit for packaging standards, Environmental Choice New Zealand ("ECNZ") assessment, and other surveillance audits such as FSC-CoC, ISO 9001:2008 Quality Management System, ISO 14001:2004 Environmental Management System and Hazard Analysis and Critical Control Point ("HACCP"). Apart from these, we are also subjected to customers audit from across the region. We have always attained a high level of satisfaction from the auditors, and have maintained it since the inception of ISO 9001:2008 Quality Management System being introduced to our plant 12 years ago.

ENERGY CONSERVATION

In 2014, we continued to work on energy conservation programs by focusing on controlling the maximum demand surge, increase efficiency and minimizing energy losses. Some of the key energy conservation initiatives that we rolled out over the course of the year:-

- To reduce electricity consumption, we continue to leverage on re-sizing the motors for pulp pulpers motors, ceasing the usage of unnecessary small recycled water pumps, introducing the water ring vacuum pump, optimizing tissue making polymer preparation stirring time and installing inverter for pulp pump chest at various stock preparation and paper making machine points;
- To avoid excess maximum demand, we have introduced one key system approach each time the process in the front-of-line of our tissue production is being turn on;
- To deliver improvements in thermal energy and eliminate heat loss, we installed thermo compressor system for Paper Making Machine 21 to reduce steam consumption and improve on steam recovery as well as shutting down the older and less energy efficient boilers;

In the coming year, we are actively looking at ways to monitor and control the electricity maximum demand. At this juncture, we are performing feasibility study to determine the motors which can be shut down temporary without affecting the tissue production process and on the look out for any available software that could assist us to facilitate the successful implementation of this project.

EMPLOYEE WELL-BEING

The Group takes measures to protect the well-being of its workforce by developing guidelines to safeguard employees in all of its business operations where health and safety policies are effectively implemented and continuously improved. In FY2015, we made a rigorous improvement to upgrade the facilities and condition of the staff canteen and kitchen. In order to aid employees further, cashless system was introduced for their convenience where no money change hand at the point of sale. In fact, by pre-loading cash points into employee card, we gave employees credit where settlement is only made via salary deduction in the following month.

At NTPM, Management maintains close rapport with employee and their employees union. The negotiation of the 8th Memorandum of Collective Agreement (“CA”) was concluded in just over a day in June 2014. Apart from the close relationship that we had, our ability to do that was also due to our foresight where we believe in paying our employees total pay packages and benefits above the normal industrial average.

PHILANTHROPY

In today’s tough economic climate, there are many worthwhile causes that warrant support. We are selective as our organisation would not be able to support all the charitable requests we receive. We involve wisely in community projects located in places where the Group operates that fit our corporate culture, core values and business competency. Some of the worthly causes that continued to receive our monetary benefits in this financial year are Persatuan Kebajikan Kanak-kanak Istimewa (Daerah Seberang Perai Selatan), St. Nicholas’ Home (Penang), Sekolah Jenis Kebangsaan (C) Pai Teik Nibong Tebal, Persatuan Bomba Sukarela (Sungai Jawi branch) and (Kampung Jawi branch). We once again demonstrated our support for school children sporting initiative by continuing to be the main sponsor for the various age levels of the Penang Junior Basketball Championship for the year 2014.

HELPING THROUGH OUR BRANDS

Our Intimate “Sembang-sembang Intim” program reached an additional 45,500 primary and secondary school female students in selected schools nationwide. We visited a total of 155 primary schools and 100 secondary schools from 16th July 2014 to 4th November 2014, providing girls with education on good personal hygiene, puberty, menstruation and personal care tips. Each student received goodies bag of Intimate sanitary pad at the conclusion of our school educational program. On top of that, we continued our “Sembang-Sembang Intim School” Sampling program and gave away free samples to students in 26 secondary schools namely in Penang, Malacca and Klang Valley.

Diapex – we are a keen supporter of various baby expos and exhibition held throughout the country as part of our commitment to provide quality diapers for healthy development of babies where these events are usually attended by expectant and new parents. Those intending to gain better understanding on diapers and wellness did so at our booth equipped with informational brochures and unique offers.

Premier Colours and Cutie were the participating brands for Universiti Sains Malaysia’s Paper Recycling Awareness Campaign 2015 entitled “Explore The World of Paper” held on 28th and 29th March 2015 at Queensbay Mall Penang, as part of Earth Hour movement. This program unquestionably raised awareness in preserving and protecting the environment where Premier Colours and Cutie tissue range play a crucial role on promoting recycled paper products towards a greener and sustainable environment for the future.

Once again, the Premier tissue, Intimate napkins and Diapex diapers form the bulk of our Product Donation Program. Organisations that benefited from this year’s program are namely Persatuan Kebajikan Shammah and Good Shepherd Center in Malaysia. Moving forward, we shall continue to organize and implement initiatives that will spur sustainable growth and development within our Group and the communities that we operate in.

WE DELIVER
SUSTAINABLE
HYGIENE PRACTICES

The Board of NTPM Holdings Berhad ("NTHB") recognises the importance of adopting good corporate governance. The statement below sets out how the Group has applied the Principles and Recommendations of the Malaysian Code on Corporate Governance 2012 ("MCCG 2012").

In preparing this Statement, the Board has considered the manner in which the Company has applied the Principles of the MCCG 2012 and the extent to which it has complied with the Recommendations of the MCCG 2012. The Board is of the opinion that, save as set out below, the Group has generally applied the Principles and complied with the Recommendations set out in MCCG 2012 throughout the financial year ended 30 April 2015:-

MCCG 2012 Recommendations	Reasons
i. Establishment of a remuneration committee.	• The remuneration of the Executive Directors is a matter for the Board to deliberate upon as a whole based on market conditions, responsibilities held and the financial performance of the Group
ii. The board must comprise a majority of independent directors where the chairman of the board is not an independent director.	• Dato' Teoh Boon Beng @ Teoh Eng Kuan, being the Chairman of the Board holds a non-executive position and is primarily responsible for matters pertaining to the Board and overall conduct of the Group. The Board has more than 1/3 Independent Directors as its members • The Board after taking into consideration of the Recommendation 3.5 of the MCCG 2012, has assessed the situation and is satisfied with the present Board composition which are able to ensure a balance of power and authority on the Board
iii. The tenure of an independent director should not exceed a cumulative term of nine years.	• Mr. Lim Han Nge, Independent Non-Executive Director has been serving the Company in that capacity since 2003 for a tenure of more than 9 years • The Nominating Committee has assessed the independence of Mr. Lim Han Nge and recommended him to continue to act as Independent Non-Executive Director of the Company • In compliance with the Recommendation 3.3 of MCCG 2012, the Board intends to seek its shareholders' approval at this forthcoming Annual General Meeting to retain Mr. Lim as an Independent Director of the Company

This Statement outlines the Group's main corporate governance practices and policies in alignment with the recommended Principles of MCCG 2012 as below:-

- Establish clear roles and responsibilities
- Strengthen composition
- Reinforce independence
- Foster commitment
- Uphold integrity in financial reporting
- Recognise and manage risks
- Ensure timely and high quality disclosure
- Strengthen relationship between company and shareholders

PRINCIPLE 1 – ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

1.1 Board should establish clear functions reserved for Board and those to delegate to Management

The Board of Directors is primarily responsible for charting and reviewing the strategic direction of the Group. It monitors and delegates the implementation of the strategic direction to the Management.

The Board understands the importance of the roles and responsibilities between the Board and Management. The Board has established a Board Charter to document these roles and responsibilities to ensure accountability of both parties and the Board is guided by the Board Charter which provides reference for Directors in relation to the Board's role, powers, duties and functions. The Board will regularly review the Board Charter to ensure it remains consistent with the Board's objectives and responsibilities, and all the relevant standards of corporate governance. The Board Charter is available for reference at the Company's website at www.ntpm.com.my.

The responsibilities of the Board are inclusive of but not limited to:-

- Reviews and adopts a strategic and business plan for the Company
- Oversees the conduct of the Company's business and evaluates whether the business is being properly managed
- Identifies principal risks and ensure the implementation of appropriate systems to manage these risks in order to achieve a proper balance between risk incurred and potential returns to shareholders
- Reviews the adequacy and the integrity of the Company's internal control systems including systems for compliance with the applicable laws, regulations, rules, directive and guidelines. The Board must ensure that there is a satisfactory reporting framework on internal financial controls and regulatory compliance
- Examines its own size and composition to determine the impact on the Board's effectiveness. The Board shall ensure that it has enough Directors to discharge its responsibilities and perform its functions

PRINCIPLE 1 – ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D.)

1.1 Board should establish clear functions reserved for Board and those to delegate to Management (Cont'd.)

- Receives and seeks relevant information for the assessment of the performance of the Company
- Establishes the Company's Authority Limits which outline the materiality of any transaction entered into by the Company and determine its approving authorities
- Ensures that the Company's financial statements are true and fair, and comply with all applicable laws and governmental regulations applicable to the Company's business and its conduct

The Board retains full and effective control of the Group and has developed corporate objectives and position descriptions including the limits to Management's responsibilities, which the Executive Directors are aware and are responsible for meeting. The Board has an understanding of matters reserved to itself for decision, which includes investment policy, approval for major capital expenditures, strategic planning, overseeing financial and operational performance, monitoring risk management processes, merger and acquisition activities and reviewing the adequacy of internal control systems.

As part of its efforts to ensure the effective discharge of its duties, the Board has delegated some certain functions to the Executive Directors, representing the Management, as well as to certain Committees which each operating within it is clearly defined terms of reference. The Chairman of each Committee will report to the Board on the outcome of the Committee's meetings which also include the key issues deliberated at the Committee's meetings. Minutes of the Committees' meetings are a permanent agenda of the Board's meeting and these are circulated at the Board's meeting for notation.

1.2 Board should establish clear roles and responsibilities in discharging its fiduciary and leadership functions

<u>Reviewing and adopting a strategic plan for the Company</u>

An effective Board is one comprising a combination of executive directors with intimate knowledge of the business and non-executive directors from diversified industry/business background to bring broad business and commercial experience to the Group. The Board provides stewardship to the Group's strategic direction and operations, and ultimately the enhancement of long-term shareholders' value.

The Board places great importance on the balance of its Independent Directors where they serve as an essential source of impartial and professional guidance to protect the interest of the shareholders. The Independent Non-Executive Directors are professionals of high calibre and credibility who play a pivotal role in corporate accountability by contributing their knowledge, advice and experience towards making independent judgement on issues of strategies, performance, resources and standards of conduct. Any material and important proposals that will significantly affect the policies, strategies, directions and assets of the Group will be subject to approval by the Board. None of the members of the Board has unfettered powers of decision.

During each quarterly meeting, the Board discusses with Management on the strategic or business plan for the Group. The Board also notes and learns from Management the industry that the Company operates in and the challenges faced by the Group. The Group Chief Executive Officer would share with the Board on the competitive operating environment and the strategy adopted by the Company from time to time.

On an annual basis and on the review of the fourth quarterly report, the Group Chief Executive Officer shares with the Board the outlook of the industry and the proposed strategic plan of the Company for the following financial year.

The Board is satisfied with the strategic plan of the Company as presented by the Executive Directors and the Management. The Board would continue to review the strategic plan to ensure its implementation.

<u>Overseeing the conduct of the Company's business</u>

The Group Chief Executive Officer is responsible for the day-to-day management of the business and operations of the Company and Group. He is supported by a management team to ensure the operations are carried out smoothly.

At each quarterly meeting, the Board assesses the performance of the Company and Group in line with its plans. The Board participated actively in the discussion of the performance of the Company and Group and the industry as a whole.

<u>Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures</u>

The Company has in place a Risk Management Framework. The Risk Management Committee adopted the Risk Management Framework as approved by the Board. The Risk Management Committee assists the Audit Committee and Board to identify the principal risks and ensure the implementation of the appropriate internal controls and mitigation measures.

The details of the Risk Management Framework are set out in the Risk Management and Internal Control Statement in this Annual Report.

PRINCIPLE 1 – ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D.)

1.2 Board should establish clear roles and responsibilities in discharging its fiduciary and leadership functions (Cont'd.)

Succession planning

In accordance with the Recommendation 2.1 of MCCG 2012, the Board has on 8 March 2013 established a Nominating Committee which comprises exclusively of Non-Executive Directors, a majority of whom are independent, to oversee the selection and assessment of Directors.

The Nominating Committee in line with its terms of reference assesses the performance of its Directors on an annual basis and also the succession planning for the Principal Officer. The Executive Director, who is slated to eventually take the post of the Group Managing Director has been with the Group for more than 20 years serving in various capacities and is the son of the Group Managing Director. There is therefore, a clear line of succession planning in the Company. Across the Group, the Management had planned for succession planning for the key posts.

Overseeing the development and implementation of a shareholder communications policy for the Company

The Company recognises the value of transparent, consistent and coherent communications with the investment community consistent with commercial confidentiality and regulatory considerations. The Company aims to build long-term relationships with shareholders and potential investors through appropriate channels for the management and disclosure of information.

These investors are provided with sufficient business, operations and financial information on the Group to enable them to make informed investment decisions. The Company's website has a "Contact Us" section where shareholders and potential investors may direct their enquiries to the Company. The Company will endeavour to reply to these queries in the shortest possible time.

Reviewing the adequacy and the integrity of the management information and internal controls system of the Company

The Board is responsible for the adequacy and the integrity of the management information and internal controls system of the Company. The details of the Internal Control systems are set out in the Risk Management and Internal Control Statement in this Annual Report.

1.3 Formalise ethical standards through a code of conduct and ensure its compliance

The Board has in place a Code of Conduct for the Directors and employees. The Code of Conduct includes amongst others the respect for the individual, create a culture of open and honest communication, set tone at the top, uphold the law, avoid conflicts of interest, set metrics and report results accurately. The Code of Conduct is available for reference at the Company's website at www.ntpm.com.my. In addition to the Directors' Code of Ethics as set out in the Company Directors' Code of Ethics established by the Companies Commission of Malaysia, the Group's Core Values also give emphasis on the behavioural ethics and conduct that sets out the sound principles and standards of good practice within the Group's business landscape, which are expected to be observed by the Directors and employees. Both Directors and employees are required to uphold the highest integrity in discharging their duties and in dealings with various stakeholders such as shareholders, customers, fellow employees and regulators.

1.4 Ensure the Company's strategy to promote sustainability

The Board promotes good Corporate Governance in the application of sustainability practices throughout the Company, the benefits of which are believed to translate into better corporate performance. A detailed report on sustainability activities, demonstrating the Company's commitment to the global environmental, social, governance and sustainability agenda, appears in the Corporate Social Responsibility Statement of this Annual Report and corporate website.

1.5 Procedures to allow the Directors access to information and advice

The Board has access to reports, papers on specific issues, information on major financial and operational matters. Management supplies sufficient information to the Board in a timely manner to enable the Board to discharge its duties effectively. The Directors may seek advice from the Management on issues under their respective purview. The Directors may also interact directly with the Management, or request further explanation, information or updates on any aspect of the Company's operations or business concerns from them. In this way the Board has full access to all information on the Company's affairs to enable the proper discharge of duties.

In addition, the Board may seek independent professional advice at the Company's expense on specific issues to enable it to discharge its duties in relation to matters being deliberated. Individual Directors may also obtain independent professional or other advice in furtherance of their duties, subject to the approval of the Chairman or the Board, depending on the quantum of the fees involved.

PRINCIPLE 1 – ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D.)

1.6 Ensure Board is supported by suitably qualified and competent Company Secretary

The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in the discharge of its functions. The Company Secretary plays an advisory role to the Board in relation to the Company's constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations. The Board is supported by suitably qualified and competent Company Secretary who is a member of a professional body.

The Board has ready and unrestricted access to the advice and services of the Company Secretary, who is considered capable of carrying out the duties to which the post entails.

1.7 Formalise, periodically review and make public the Board Charter

The Board Charter ("Charter") serves as a reference point for the Board's activities where the Board has established clear functions reserved for the Board and those delegated to Management. The Charter provides guidance for Directors and Management on the responsibilities of the Board, its Committees and requirements of Directors and it is subject to periodical review to ensure consistency with the Board's strategic intent as well as relevant standards of corporate governance.

PRINCIPLE 2 – STRENGTHEN COMPOSITION

2.1 Establish a Nominating Committee which should comprise exclusively non-executive directors, a majority of whom must be independent

The Nominating Committee was set up on 8 March 2013 and comprises three (3) Non-Executive Directors. In compliance with the Recommendations of MCCG 2012, the Chairman of the Nominating Committee is also the Senior Independent Non-Executive Director as identified by the Board, to whom any concern from the shareholders may be conveyed.

The composition of the Nominating Committee is as follows:-

- Lim Han Nge - Chairman
- Chang Kong Foo - Member
- Dr. Teoh Teik Toe - Member

During the financial year ended 30 April 2015, the Nominating Committee met once with full attendance by its members.

2.2 Nominating Committee should develop, maintain and review criteria for recruitment process and annual assessment of directors

The Nominating Committee is empowered to bring to the Board, recommendations as to the appointment of any new director or to fill board vacancies as and when they arise. In making its recommendation, the Nominating Committee will consider the required mix of skills, knowledge, expertise, experience and other qualities, including core competencies which Directors of the Company should bring to the Board.

The Nominating Committee also ensures that the Board has an appropriate balance of expertise and ability. For this purpose, the Committee regularly reviews the profile of the required skills and attributes. This profile is used to assess the suitability as executive or non-executive directors of candidates put forward by the directors and outside consultants. In addition, the Committee also regularly assesses the effectiveness of the Board as a whole and the contribution of each individual director including Independent Non-Executive Director. All assessments and evaluations carried out by the Nominating Committee in discharging its functions have been well documented.

During the financial year 2015, the Nominating Committee conducted an annual assessment of its Directors and the effectiveness of the Board of Directors as a whole. It also conducted an assessment of the Directors who are subject to retirement at the forthcoming Annual General Meeting in accordance with the provisions of the Articles of Association of the Company and the relevant provisions of the Companies Act, 1965.

The nomination and election process for new director(s) is as follows:-

(1) The Nominating Committee receives a nomination from:-
    a. A Director of the Company; or
    b. Requisition from the shareholders.
(2) The Nominating Committee shall review the proposed candidate(s) and if need be, to meet up with the candidate(s) for an interview;
(3) The Nominating Committee shall report its findings and recommendations to the Board for consideration;

PRINCIPLE 2 – STRENGTHEN COMPOSITION (CONT'D.)

2.2 Nominating Committee should develop, maintain and review criteria for recruitment process and annual assessment of directors (Cont'd.)

(4) If the nomination is from one of the Directors, the election process shall be conducted at a meeting of the Directors by show of hands;
(5) If the nomination is from the shareholders, the election process shall be conducted at an Annual General Meeting or Extraordinary General Meeting by show of hands or poll, as the case maybe.
(6) In the event the number of candidates exceed the maximum number of directors in accordance with the Articles of Association, the candidates with the highest votes are considered elected as directors.
(7) For item (6), if there is an equality of votes, and there are candidates who still exceed the number of vacancies, the election process for these excess candidates shall continue to be conducted to get the highest votes until the vacancies are filled.

While the Board recognises the initiative by the government to enlarge the women's representation at boardroom, as the Board size is small, the Board does not for the time being, have any gender diversity policy and target or set any measures to meet any target. The Board through the Nominating Committee will consider the gender diversity before considering the selection of women directors as part of its future selection process should the need arises.

Nevertheless, the Group is an equal opportunity employer and all appointments and employments are based strictly on merits and are not driven by any racial or gender bias.

2.3 Board should establish formal and transparent remuneration policies and procedures to attract and retain directors

The Board currently does not set up the Remuneration Committee to review the remuneration of the Executive Directors. Nevertheless, the Board views that the remuneration of the Executive Directors is a matter for the Board to deliberate upon as a whole based on market conditions, responsibilities held and the financial performance of the Group.

The remuneration package of each Executive Director is structured so as to link rewards to corporate and individual performance.

During the financial year 2015, the Board had performed its duty to assess annually the remuneration package of its Executive Directors and Senior Management.

The proposal of non-executive directors' remuneration is determined by the Board which comprises the following:-

Directors' Fees	These fees are payable to the Non-Executive Directors and are recommended by the Board for the approval of the shareholders at each Annual General Meeting.
Meeting Allowances	These allowances are payable to the Non-Executive Directors for attendance of the Board and Committee meetings. The meeting allowance is determined by the Board.

A summary of the remuneration of the Directors in the Company for the services rendered to the Group for the financial year ended 30 April 2015 is analysed as follows:-

	Fees RM	Salaries & Bonuses RM	Benefit-in Kind RM	Allowance RM	Total RM
Executive Directors	120,000	2,497,844	45,400	Nil	2,663,244
Non-Executive Directors	240,000	Nil	Nil	8,000	248,000

Range of Remuneration	Number of Directors	
	Executive	Non-Executive
RM50,001 and RM100,000	–	4
RM650,001 – RM700,000	1	–
RM1,950,001 – RM2,000,000	1	–

PRINCIPLE 3 – REINFORCE INDEPENDENCE

3.1 Board should undertake an assessment of its independent directors annually

The Board through the Nominating Committee assesses the Independent Directors on an annual basis, with a view to ensure the Independent Directors bring independent and objective judgement to the Board and this mitigates potential conflict of interest or undue influence from interested parties. Where there is a likely conflict of interest position, the Board would take appropriate action to rectify the situation. Should any Director have an interest in any matter under deliberation, he is required to disclose his interest and abstain from participating in the discussions and voting on the matter.

The Board also received confirmation in writing from the Independent Directors of their independence. The Board is satisfied with the assessment of the Independent Directors.

3.2 Tenure of Independent Director should not exceed cumulative term of 9 years. Upon completion of tenure, Independent Director can continue serving but as Non-Executive Director

One of the Recommendations of the MCCG 2012 states that the tenure of an Independent Director should be capped at 9 years, either for a consecutive service of 9 years or a cumulative service of nine years with intervals. Upon completion of the nine years tenure in office, an Independent Director may continue to serve on the Board of Company subject to the re-designation as a Non-Independent Director.

Based on the records of the Company, the longest serving Independent Director is Mr. Lim Han Nge who was appointed to the Board on 29 January 2003.

However, the Nominating Committee and the Board have assessed the Independence of Mr. Lim Han Nge, who has served on the Board for more than nine years and is satisfied with the skills, contribution and independent judgement that Mr. Lim Han Nge brings to the Board and was of the view that Mr. Lim remains objective and independent in expressing his views and in participating in deliberations and decision making of the Board and Board Committees. The length of his service on the Board does not in any way interfere with his exercise of independent judgement and ability to act in the best interests of the Company.

In line with the Recommendation 3.3 of MCCG 2012, the Company will be seeking its shareholders' approval at this forthcoming Annual General Meeting to retain Mr. Lim as an Independent Director of the Company.

3.3 Must justify and seek shareholders' approval in retaining Independent Directors (serving more than 9 years)

This was explained in the foregoing section.

3.4 Positions of Chairman and Managing Director to be held by different individuals

The position of Chairman and Managing Director are held by two different individuals. The Chairman is primarily responsible for the leadership of the Board and ensures effectiveness of the Board while the Managing Director manages the business and operations and implements the Board's decisions. The distinct and separate role of the Chairman and Managing Director, with a clear division of responsibilities, ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making.

3.5 The Board must comprise a majority Independent Directors if the Chairman is not an Independent Director

The Board is mindful on the Recommendations of MCCG 2012 that the Board must comprise a majority of Independent Directors where the Chairman of the Board is not an Independent Director. However, the Board has assessed the situation and is satisfied with the present Board composition which comprises sufficient Independent Directors of the Board with wide boardroom experience and expertise to provide the necessary check and balance.

The size of the Board is appropriate given the complexity of the Company's business, and the significant time demands placed on the Independent Non-Executive Directors who also serve as Members of Board Committees.

The Board currently has seven (7) Directors comprising two (2) Executive Directors, two (2) Non-Independent Non-Executive Directors, two (2) Independent Non-Executive Directors and one (1) Alternate Director. The Board has complied with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") that at least two (2) Directors or 1/3 of the Board, whichever is the higher, are Independent Directors.

The Directors collectively, with their different background and specialization, bring with them a diverse wealth of experience and expertise in areas such as business, finance, legal, engineering, regulatory and operations which is relevant to the Group. A brief profile of each individual Directors are set out on pages 10 to 11 of this Annual Report.

PRINCIPLE 3 – REINFORCE INDEPENDENCE (CONT'D.)

3.5 The Board must comprise a majority Independent Directors if the Chairman is not an Independent Director (Cont'd.)

There is a clear division of roles and responsibilities between the Chairman (non-executive) and the Managing Director (executive capacity) to ensure there is a balance of power and authority. The Chairman holds a non-executive position and is primarily responsible for matters pertaining to the Board and overall conduct of the Group. The Managing Director oversees the business operations of the Group and the implementation of the Board's decisions and policies.

The Board is satisfied that the Independent Directors represent the interest of public shareholders in the Company and Mr. Lim Han Nge is the Senior Independent Non-Executive Director to whom concerns may be conveyed.

PRINCIPLE 4 – FOSTER COMMITMENT

4.1 Board should set expectations on time commitment for its members and protocols for accepting new directorships

The Board meets at least, quarterly, to consider all matters relating to the overall control, business performance and strategy of the Company. Additional meeting will be called when and if necessary. The relevant reports and Board Papers are distributed to all Directors in advance of the Board Meeting to allow the Directors sufficient time to peruse for effective discussion and decision making during the meetings. All pertinent issues discussed at the meetings in arriving at decisions and conclusions are properly recorded in the discharge of the Board's duties and responsibilities.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. This is evidenced by the attendance record of the Directors at the Board meetings as set out in the below table:-

Director	Total Attendance	Percentage (%)
Dato' Teoh Boon Beng @ Teoh Eng Kuan	4/4	100
Lee See Jin	4/4	100
Lee Chong Choon	4/4	100
Dr. Teoh Teik Toe	4/4	100
Lim Han Nge	4/4	100
Chang Kong Foo	4/4	100
Teoh Teik Lin	3/4	75

All the Directors have complied with the minimum 50% attendance requirement in respect of Board Meeting as stipulated in the Listing Requirements. In the intervals between Board Meetings, for any matters requiring Board's decisions, the Board's approvals are obtained through circular resolutions. The resolutions passed by way of such circular resolutions are then noted at the next Board Meeting.

Currently, none of the Directors hold directorship in the other listed companies. The Board is reminded to notify the Chairman before accepting any new directorship.

4.2 Board should ensure members have access to appropriate continuing education programme

The Directors are encouraged to attend continuing education programmes and seminars to keep abreast with current developments in the market place and with new statutory and regulatory requirements. They are provided with updates from time to time on relevant new laws and regulations affecting their directorships and relevant compliances.

During the financial year ended 30 April 2015, the training programmes and seminars attended by the Directors are as follows:-

Title of Seminar / Workshops / Courses	Mode of Training	No. of Hours Spent
Dato' Teoh Boon Beng @ Teoh Eng Kuan		
• Enterprise Risk Management	Seminar	8 hours
Lee See Jin		
• Enterprise Risk Management	Seminar	8 hours
Lee Chong Choon		
• Enterprise Risk Management	Seminar	8 hours

PRINCIPLE 4 – FOSTER COMMITMENT (CONT'D.)

4.2 Board should ensure members have access to appropriate continuing education programme (Cont'd.)

Title of Seminar / Workshops / Courses	Mode of Training	No. of Hours Spent
Lim Han Nge		
• Audit Committee Conference 2015	Conference	8 hours
Dr. Teoh Teik Toe		
• Intellectual Property and International Trade by National University of Singapore	Course	36 hours
Chang Kong Foo		
• National Tax Conference 2014	Conference	16 hours
• Enterprise Risk Management	Seminar	8 hours
• MIA International Accountants Conference 2014	Conference	16 hours
• GST Implementation Plan for Business	Seminar	8 hours
Teoh Teik Lin		
• Impact of GST and Taxes on the Rich Property Owners & Investors	Seminar	8 hours

The Company Secretary circulates the relevant guidelines on statutory and regulatory requirements from time to time to the Board for reference and briefs the Board on these updates during the Board meetings.

During the financial year 2015, the Directors were updated on the regulatory updates including amendments to the Listing Requirements regarding an Independent Adviser's role in relation to a major disposal and voluntary withdrawal of listing, best practise guide in relation to independent advice letters and clarification of the disclosure requirements in Annual Reports.

PRINCIPLE 5 – UPHOLD INTEGRITY IN FINANCIAL REPORTING

5.1 Audit Committee should ensure financial statements comply with applicable financial reporting standards

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

In addition to the above, the Board has received assurance from the Group Chief Executive Officer and the Financial Controller that the Group's internal control system is operating adequately and effectively, in all material aspects, based on internal control system of the Group. The Group Chief Executive Officer and the Financial Controller provide the assurance to the Audit Committee that adequate processes and controls are in place, the appropriate accounting policies has been adopted and that the relevant financial statements give a true and fair view of the state of affairs of the Group in compliance with the relevant Malaysian Financial Reporting Standards and the provisions of the Companies Act, 1965.

5.2 Audit Committee should have policies and procedures to assess suitability and independence of external auditors

On an annual basis, the Audit Committee would review and monitor the suitability and independence of the External Auditors. The Audit Committee also reviewed the provision of non-audit services by the External Auditors and noted that the total amount of fees paid for non-audit services rendered by the Group External Auditors for the financial year 2015 was RM105,119 only.

The Audit Committee has obtained a written assurance from the External Auditors confirming that they were, and has been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The Audit Committee is satisfied with the competence and independence of the External Auditors and had recommended the re-appointment of the External Auditors to the Directors at the Annual General Meeting.

It is the policy of the Audit Committee to meet with the External Auditors at least twice a year to discuss their audit plan, audit findings and the Company's financial statements. The Audit Committee also held two dialogue sessions with the External Auditors without the presence of the Executive Directors and the Management in compliance with the recommendations of the MCCG 2012. The Audit Committee also meets with the External Auditors additionally whenever it deems necessary. In addition, the External Auditors are invited to attend the Annual General Meeting of the Company and are available to answer shareholders' questions on the conduct of the statutory audit and the preparation and contents of their audit report.

PRINCIPLE 6 – RECOGNISE AND MANAGE RISKS

6.1 Board should establish a sound framework to manage risks

The Company had appointed an external consultant to establish the Enterprise Risk Management Framework, which was completed in September 2003. The Enterprise Risk Management Framework provides a systematic approach to identify, assess, monitor as well as manage risk across the Group. The Board through the Audit Committee obtains reports from the Internal Auditors on the periodic checks on the internal control systems and on-going review of its Enterprise Risk Management Framework.

The details of the risk management are set out in the Risk Management and Internal Controls Statement in this Annual Report.

6.2 Board should establish an internal audit function which reports directly to Audit Committee

The Group has established its own in-house Internal Audit Department ("IAD"), whose internal audit function is independent of the Group's business activities, operating entities and divisions. Its principal activities undertakes regular and systematic audit of the Group's operating entities and divisions, reviewing and testing the system of internal controls including Enterprise Risk Management and governance processes so as to provide independent and objective assurance that such systems are effective and are operating satisfactorily. The Internal Auditors adopt a risk-based approach towards the planning and conduct of audits, which are consistent with the Group's framework in designing, implementing and monitoring its internal control system.

The IAD's operation is guided by Internal Audit Charter which was approved by the Audit Committee. Audit engagement is focused on areas of priority according to their annual risk assessment and in accordance with the annual strategic audit plans approved by the Audit Committee.

The key duties and responsibilities undertaken by IAD include:-
- review and appraise the soundness and adequacy of internal control
- ascertain the extent of compliance with internal policies, procedures and standard
- identify opportunities for process and internal control improvement
- coordinate Enterprise Risk Management activities
- review compliance with applicable rules and regulation
- carry out special ad-hoc audit at Audit Committee and/or Management's request

The Head of the IAD attends the meetings and reports directly to the Audit Committee on the annual internal audit plan and internal audit reports on the audit conducted in accordance with the annual audit plan.

During the financial year, the IAD has issued 24 audit reports to Audit Committee and Management in regards to any major audit finding on the weaknesses in the system and controls of the operation. Areas for improvement were highlighted and the implementation of recommendations was monitored. None of the internal control weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Annual Report.

The total costs of the maintaining the internal audit function in respect of the financial year ended 30 April 2015 was approximately RM334,469.

PRINCIPLE 7 – ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

7.1 Ensure company has appropriate corporate disclosure policies and procedures

The Board has in place a Corporate Disclosure Policy in line with the Listing Requirements. The Group Managing Director and the Group Chief Executive Officer are the spokespersons of the Company on all matters relating to the Company to ensure compliance with the disclosure obligations as well as overseeing and co-ordinating disclosure of information. The Board has delegated the authority to the Executive Directors to approve all announcements for release to Bursa Securities. The Group Managing Director and/or the Group Chief Executive Officer work closely with the Board, the Senior Management and the Company Secretary who are privy to the information to maintain strict confidentiality of the information.

7.2 Encourage company to leverage on information technology for effective dissemination of information

The Company's website incorporates an "Investor Relations" section where the industry's outlook and Group's performance would be captured for the investors' notation, in addition to the announcements released by the Company to Bursa Securities which are captured under the "Announcement" section of the corporate webpage. Under the corporate webpage, the public can also access the corporate information, financial information, corporate governance matters and other corporate policies.

These investors are provided with sufficient business, operations and financial information on the Group to enable them to make informed investment decisions.

PRINCIPLE 8 – STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

8.1 Take reasonable steps to encourage shareholder participation at general meetings

The Company provides information to the shareholders with regard to, amongst others, details of the Annual General Meeting, their entitlement to attend the Annual General Meeting, the right to appoint a proxy and also the qualifications of a proxy.

The Managing Director, Group Chief Executive Officer and Senior Management personnel participate in discussion with shareholders to ensure they are given as accurate and fair representation of the Group's performance and position.

Dialogues and discussions with investors and analysts are conducted within the framework of the relevant Corporate Disclosure Guidelines under the Listing Requirements and comply with the Best Practices in Corporate Disclosure published by the Malaysian Institute of Chartered Secretaries and Administrators.

8.2 Board should encourage poll voting

The Chairman of the meeting would remind the shareholders, proxies and corporate representatives on their rights to demand for a poll in accordance with the provisions of the Articles of Association of the Company for any resolutions. The voting process at the Annual General Meeting shall be by way of show of hands unless a poll is demanded. The Chairman may demand for a poll for any substantive resolutions put forward for voting at the shareholders' meetings, if so required. The Company's Share Registrar's computer system is well equipped for any poll voting should the circumstances arise.

8.3 Board should promote effective communication and proactive engagements with shareholders

In maintaining the commitment to effective communication with shareholders, the Group adopts the practice of comprehensive, timely and continuing disclosures of information to its shareholders as well as to the general investing public. The practice of disclosure of information is not just established to comply with the requirements of the Listing Requirements. It also adopts the Recommendations of MCCG 2012 with regard to strengthening engagement and communication with shareholders. Where possible and applicable, the Group also provides additional disclosure of information on a voluntary basis. The Group believes that consistently maintaining a high level of disclosure and extensive communication with its shareholders is vital to shareholders and investors to make informed investment decisions.

The Annual Report is the main channel of communication between the Company and its stakeholders. The Annual Report communicates comprehensive information of the financial results and activities undertaken by the Group. As a listed issuer, the contents and disclosure requirements of the Annual Report are also governed by the Listing Requirements.

Another key avenue of communication with its shareholders is the Company's Annual General Meeting, which provides a useful forum for shareholders to engage directly with the Company's Directors. At each Annual General Meeting, the Directors of the Company will be present at the meetings to answer any questions that the shareholders may ask. The Chairman of the meeting provides time for the shareholders to ask questions for each agenda in the notice of the Annual General Meeting. The External Auditors are also present at the Annual General Meeting to answer any questions that the shareholders may ask. The shareholders are also able to meet with the Directors after the meeting while they mingled with the shareholders, proxies and corporate representatives.

COMPLIANCE STATEMENT

The Board is satisfied that in financial year 2015, save for the above relevant explanations, the Company is in compliance with Principles and Recommendations of the MCCG 2012.

This Statement is made in accordance with the resolution of the Board dated 19 June 2015.

COMPOSITION

The present composition of the Audit Committee ("AC") consists of three members of the Board of Directors ("Board"), a majority of whom are independent. The members are as follows:-

Chairman	**Chang Kong Foo** *Independent Non-Executive Director*
Members	**Lim Han Nge** *Senior Independent Non-Executive Director* **Dr. Teoh Teik Toe** *Non-Independent Non-Executive Director*

The Chairman of the AC is a member of the Malaysian Institute of Accountants ("MIA") in compliance with the Listing Requirements.

SUMMARY OF TERMS OF REFERENCE

The primary objectives of the AC are to assist the Board of the Company in discharging its statutory duties and responsibilities relating to accounting and financial reporting practices of the Company and its subsidiaries. In addition, the AC shall:-

(a) evaluate the quality of the audits performed by the internal and external auditors;

(b) provide assurance that the financial information presented by Management is relevant, reliable and timely;

(c) oversee compliance with laws and regulations and observance of a proper code of conduct; and

(d) determine the quality, adequacy and effectiveness of the Group's control environment and quality of the audits.

DUTIES AND RESPONSIBILITIES

The duties of the AC are as follows:-

- To review the cost effectiveness, independence and objectivity of the external auditors and recommend for the appointment/re-appointment of the external auditors, the audit fee and any question of resignation or dismissal of external auditors;
- To discuss with the external auditors before the audit commences the nature and scope of the audit and to ensure co-ordination where more than one audit firm is involved;
- To review with the external auditors their evaluation of the system of internal controls and their audit report;
- To review the quarterly and annual financial statements before submission to the Board, focusing particularly on:
  - any changes in accounting policies and practices
  - significant adjustments resulting from the audit
  - the going concern assumption
  - compliance with accounting standards and legal requirements
- to discuss issues and reservations arising from the interim and final audits, and any matter the external auditor may wish to discuss (in the absence of management, where necessary);
- to review the external auditors' management letter and Management's response;
- to do the following, in relation to the internal audit function:-
  - review the adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work
  - review the internal audit programme and results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function
  - review any appraisal or assessment of the performance of members of the internal audit function
  - approve any appointment or termination of senior staff members of the internal audit function
  - take cognizance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning

DUTIES AND RESPONSIBILITIES (CONT'D.)

- To consider any related party transactions and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- To report its findings on the financial and Management performance, and other material matters to the Board;
- To consider the major findings of internal investigations and Management's response;
- To verify the allocation of employees' share option scheme ("ESOS") in compliance with the criteria as stipulated in the by-laws of ESOS of the Company, if any;
- To monitor the foreign currency transactions and determine and review the policies associated to each transaction annually;
- To establish policies governing the circumstances under which the contract in relation to the provision of non-audit services can be entered into by the Group with its external auditors and procedures that need to be adhered;
- To review the adequacy and effectives of risk management and internal control systems instituted within the Group;
- To consider any other functions as may be agreed between the AC and the Board; and
- To consider and examine such other matters as the Board and/or the AC consider appropriate.

AUTHORITY

The AC shall, in accordance with a procedure to be determined by the Board and at the expense of the Company,

(a) have explicit authority to investigate any matter within its terms of reference, the resources to do so, and full access to information. All employees shall be directed to co-operate as requested by members of the AC;

(b) have full and unlimited/unrestricted access to all information and documents/resources which are required to perform its duties as well as to the internal and external auditors and senior management of the Company and Group;

(c) obtain independent professional or other advice and to invite outsiders with relevant experience to attend, if necessary;

(d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;

(e) where the AC is of the view that the matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements of Bursa Securities, the AC shall promptly report such matter to Bursa Malaysia Securities Berhad.

MEETINGS

The AC shall hold at least four regular meetings per year, with due notice of issues to be discussed, and shall record its conclusions in discharging its duties and responsibilities. In addition, the Chairman may call for additional meetings at any time at the Chairman's discretion. The quorum for the AC meeting shall be the majority of members present whom must be Independent Directors.

Upon the request of the external auditors, the Chairman of the AC shall convene a meeting of the AC to consider any matter the external auditors believe should be brought to the attention of the Directors or shareholders.

Notice of AC meetings shall be given to all the AC members unless the AC waives such requirement. The Chairman of the AC shall engage on a continuous basis with senior management, the head of internal audit and the external auditors in order to be kept informed of matters affecting the Company.

Questions arising at any meeting of the AC shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the AC shall have a second or casting vote. The Company Secretary shall be the secretary of the AC.

The AC met four times during the financial year ended 30 April 2015 with full attendance by all the AC members. The other Directors who are not AC members, Financial Controller, internal auditors, external auditors and external advisors, upon invitation of the AC, attended the AC meetings to assist in its deliberations.

During the financial year, the Committee met with the external auditors twice without the presence of any executive member of the Board and Management in September 2014 and March 2015 in compliance with the recommendation of the Malaysian Code on Corporate Governance 2012.

ACTIVITIES OF THE AC DURING THE FINANCIAL YEAR ENDED 30 APRIL 2015

During the financial year ended 30 April 2015 ("FY2015"), the AC carried out the following activities in discharging its functions and duties in accordance with the terms of reference of the AC:-

- reviewed the unaudited interim financial results of the Group before recommending to the Board for approval
- reviewed the audited annual financial statements of the Company and the Group before recommending to the Board for approval
- reviewed the internal audit plan to ensure key risk areas were covered
- reviewed the reports from the internal auditors to assess the state of the internal control system of the Group and to ensure that corrective actions were taken by Management on audit findings
- reviewed the statement of risk management and internal control
- reviewed the related party transactions of the Group
- reviewed the foreign currency transactions of the Group
- reviewed the risks' rating and controls of the updated risk registers prepared by the respective Risk Management Units' heads
- reviewed with the external auditors, their audit planning memorandum, audit approach and reporting requirements prior to the commencement of audit work
- reviewed with the external auditors, their audit findings and management letter together with the Management's response and approved for adoption their recommendations
- reviewed the re-appointment and audit fees of the external auditors for the ensuing year

REPORTS/MINUTES

Minutes of each meeting shall be kept at the registered office and distributed to each member of the AC and also to the other members of the Board. The AC Chairman will report to the Board after each AC meeting.

The minutes of the AC meeting shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

INTERNAL AUDIT DEPARTMENT

The Board has established an Internal Audit Department ("IAD") to review the adequacy and integrity of its system of internal control on 19 December 2003.

The major role of IAD is to assist the AC in discharging its duties and responsibilities and provide independent and reasonable assurance that the systems of internal controls are adequate and effective. It assists the Group in accomplishing its objective by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

During the FY2015, IAD had regularly conducted audits in the areas of risk management, payroll, compliance and depot operation. The risk-based audits were carried based on the selected risks which had been identified during the Enterprise Risk Management ("ERM") assessment through verifying the compliance of the controls in each Risk Management Units ("RMU").

In addition, IAD also assisted and coordinated in the process of risk management such as coordinating the review of all risks and controls which were previously assessed by a professional firm in September 2003 as well as identifying new risks and controls relevant to the Group's operations. The Executive Risks Management Summary Reports on registered risks reviewed by Risk Management Committee were then presented to the AC by IAD during the quarterly meeting on a rotational basis.

This Statement is made in accordance with the resolution of the Board of Directors dated 19 June 2015.

Introduction

The Malaysian Code on Corporate Governance 2012 requires the Board of Directors ("Board") to establish a sound risk management framework and internal controls system to safeguard shareholders' investments and the assets of the Group. Pursuant to paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), the Board of listed issuers is required to include in its annual report, a statement on the Group's state of internal control. The Board recognises its responsibilities for and the importance of a sound system of risk management and internal controls. Set out below is the Board's Statement on Risk Management and Internal Control, which provides an overview of the Group's state of risk management and internal control system.

Board Responsibility

The Board recognises the importance of the Group's sound internal controls as well as risk management practices, and affirms its overall responsibility of reviewing the adequacy and effectiveness of the risk management and internal control systems of the Group. The Board has via the Audit Committee ("AC") obtained the necessary assurance on the adequacy and effectiveness of the Group's risk management and internal control systems through ongoing and independent reviews carried out by the internal audit function.

Due to inherent limitations in any system of internal control, such systems can only manage rather than eliminate all possible risks resulting in the Group's inability to achieve its business objectives. Thus, the system can provide reasonable, and not absolute, assurance against material misstatement or loss.

KEY COMPONENTS OF INTERNAL CONTROL PROCESSES

Risk Management Framework

The Board has put in a risk management framework and ongoing process to assess the various types of risks, which might have an impact on the profitable operation of the Group's business. These include strategic risk, operational risk and project risk. The Risk Management Committee (RMC) comprises the management team whose role is to identify, mitigate and manage risks within their business. The Board, through the AC maintains risk oversight for the Group.

Formal database of risks and controls information arising from the quarter risk assessment exercise are captured in the format of risk registers. Key risks of major business units are identified and assessed to highlight the source of risk, their impacts and the likelihood of occurrence. Risk profiles for the major business units are presented to the AC on quarterly basis.

Board Meetings

The Board meets at least quarterly and has a formal agenda on matters for discussion. The Non-Executive Chairman leads the presentation of board papers while the Managing Director together with the Group Chief Executive Officer provides explanation of pertinent issues. Additionally, the Chief Executive Officer updates the Board on key business and operational issues such as key products results and growth, business plan, corporate affairs and prospects. In arriving at any decision, on recommendation by the Management, a thorough deliberation and discussion by the Board is a prerequisite.

Organisational Structure

There exists a clearly defined organisational structure with defined lines of job responsibilities and delegation of authority. This will assist in ensuring that effective communication of risk control objectives as well as establishment of authority and accountability is in accordance with Management criteria.

Internal Policies and Procedures

Internal Policies and Procedures have been developed throughout the Group. The policies and procedures are updated timely to incorporate changes to systems, work environment and guidelines.

There are also documented Limits of Approving Authority for key aspects of the businesses. This provides a sound framework of authority and accountability within the organisation and facilitates proper corporate decision making at the appropriate level in the organisation's hierarchy. The delegation of limits is subject to periodic reviews as to its implementation and continuing suitability in meeting the Group's business objectives and operational needs.

Performance Management Framework

Management reports are generated on a regular and consistent basis to facilitate the Board, the Company's and the Group's Management to perform financial and operating reviews on the various operating units. The reviews encompass areas such as financial and non-financial key performance indicators, variances between budget and operating results and compliance with laws and regulations. The Company and the Group have in place a budgeting process that provides a responsibility accounting framework.

Internal Audit Function

The Group has its own internal audit functions, which provide reports to the AC on quarterly basis. The Group's Internal Auditors' principal responsibility is to evaluate and improve the effectiveness of risk management, control and governance process. This is accomplished through a systematic and disciplines approach of regular reviews and appraisals of internal controls in the key activities of the Group's businesses implemented by the Management.

Ongoing reviews of the internal control system are carried out by the internal auditors of the Group where the results of such reviews are reported to the AC. Periodic follow up reviews are also conducted to ensure adequate and timely implementation of the Management's action plans.

The work of the internal auditors is focused on areas of priority according to their annual risk assessment and in accordance with the annual audit plans approved by the AC. The AC holds regular meetings to discuss findings and make recommendations for improvement by both the internal and external auditors on the state of the internal control system. Thereafter, the minutes of the AC meetings are tabled to the Board for review.

REVIEW OF THIS STATEMENT

The Internal Auditor has reviewed the Statement on Risk Management and Internal Control for the financial year ended 30 April 2015 and reported to the AC that all internal control weaknesses identified during the course of its audit assignments for the financial year ended 30 April 2015 have been, or are being, addressed and that none of the weaknesses have resulted in any material losses, contingencies or uncertainties that require disclosure in the Company's Annual Report.

The Board has received assurance from the Group Chief Executive Officer and the Financial Controller that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

The Board is of the view that the system of internal controls in place for the financial year ended 30 April 2015 and up to the date of approval of this report is sound and sufficient to safeguard the shareholders' investment and the Group's assets.

This Statement has been approved by the Board of Directors on 19 June 2015 based on the recommendation of the AC.

UTILISATION OF PROCEEDS

No proceeds were raised by the Company from any corporate exercise during the financial year 2015.

SHARE BUY-BACK

The details of the Company's share buy-back exercises for the financial year ended 30 April 2015 are as follows:-

Monthly Breakdown	No. of Shares purchased	No. of Shares resold	Purchase Consideration (RM)	Disposal Consideration (RM)	Transaction Cost (RM)	Total Amount (RM)	Purchase Price Per Share		Average Price Per Share (RM)
							Lowest (RM)	Highest (RM)	
September 2014	10,000	–	7,000	–	37.10	7,037.10	0.700	0.700	0.700
March 2015	10,000	–	7,400	–	38.22	7,438.22	0.740	0.740	0.740
Total	20,000	–	14,400	–	75.32	14,475.32			

During the financial year 2015, a total of 20,000 ordinary shares of RM0.10 each ("Shares") were purchased by the Company and retained as treasury shares. As at 30 April 2015, the total treasury shares held by the Company was 40,000 Shares. None of the treasury shares were resold or cancelled during the financial year 2015.

OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

The Company did not issue any options, warrants or convertible securities during the financial year 2015.

DEPOSITORY RECEIPT PROGRAMME

During the financial year 2015, the Company did not sponsor any depository receipt programme.

IMPOSITION OF SANCTIONS AND PENALTIES

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

NON-AUDIT FEES

During the financial year 2015, non-audit fees paid by the Group to the Group's external auditors as professional fees for tax agents' services amounted to RM105,119.

VARIATION IN RESULTS

There were no material variations between the audited results and the un-audited results for the financial year ended 30 April 2015.

PROFIT ESTIMATES, FORECAST AND PROJECTION

The Company did not issue any profit estimate, forecast or projection for the financial year ended 30 April 2015.

PROFIT GUARANTEE

During the financial year 2015, there was no profit guarantee given by the Company.

MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

Other than those related party transactions disclosed in Note 29 to the financial statements, there were no material contracts outside the ordinary course of business, including contract relating to loan, entered into by the Company and/or its subsidiaries involving Directors and major shareholders that are still subsisting at the end of the financial year or which were entered into since the end of the previous financial year.

STATEMENT OF THE DIRECTORS' RESPONSIBILITIES
IN RELATION TO THE FINANCIAL STATEMENTS

The Board is required by the Companies Act, 1965 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group as at the end of the financial year and of the results and cash flows of the Group for the financial year.

The Board is satisfied that in preparing the financial statements of the Group for the financial year ended 30 April 2015, the Group has used the appropriate accounting policies, which are consistently applied and supported by reasonable prudent judgment and estimates and that measures have been taken to ensure that accounting records are properly kept in accordance with the law.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group, and to prevent any fraud and other irregularities.

This Statement in made in accordance with the resolution of the Board of Directors on 11 August 2015.

FINANCIAL STATEMENTS

Contents

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 April 2015.

PRINCIPAL ACTIVITIES

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

The principal activities of the subsidiaries are described in Note 14 to the financial statements.

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

RESULTS

	Group RM	Company RM
Profit net of tax	42,641,550	10,880,130

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

In the opinion of the directors, 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.

DIVIDENDS

The amount of dividends paid by the Company since 30 April 2014 were as follows:

	RM
In respect of the financial year ended 30 April 2014 as reported in the directors' report of that year:	
Single tier final dividend of 14.5% on 1,123,180,000 ordinary shares of RM0.10 each approved on 5 September 2014 and paid on 26 September 2014	16,286,110
In respect of the financial year ended 30 April 2015:	
Single tier interim dividend of 7.25% on 1,123,160,000 ordinary shares of RM0.10 each declared on 20 March 2015 and paid on 16 April 2015	8,142,912

DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Dato' Teoh Boon Beng @ Teoh Eng Kuan
Lee See Jin
Lee Chong Choon
Dr. Teoh Teik Toe*
Lim Han Nge*
Chang Kong Foo*
Teoh Teik Lin (alternate director to Dato' Teoh Boon Beng @ Teoh Eng Kuan)

* Being a member of the Audit Committee.

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 7 to the financial statements or the fixed salary of a full-time employee of the Company or its related corporations) by reason of a contract made by the Company or a related corporation with any 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 29 to the financial statements.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company during the financial year were as follows:

	Number of ordinary shares of RM0.10 each			
	1 May 2014	**Bought**	**Sold**	**30 April 2015**
The Company				
Direct				
Dato' Teoh Boon Beng @ Teoh Eng Kuan	20,450,000	740,000	–	21,190,000
Lee See Jin	332,971,949	2,551,000	(11,908,300)	323,614,649
Lee Chong Choon	132,111,197	–	–	132,111,197
Dr. Teoh Teik Toe	8,213,400	–	–	8,213,400
Chang Kong Foo	50,000	50,000	–	100,000
Teoh Teik Lin	66,887,278	–	–	66,887,278
Indirect				
Interest of Spouse/Children of the Directors*				
Dato' Teoh Boon Beng @ Teoh Eng Kuan	116,027,292	–	–	116,027,292
Lee See Jin	138,469,382	–	–	138,469,382
Chang Kong Foo	280,000	–	–	280,000
Deemed interest of Directors				
Dato' Teoh Boon Beng @ Teoh Eng Kuan **	65,311,922	–	–	65,311,922
Teoh Teik Lin #	52,371,922	–	–	52,371,922

* Disclosure pursuant to Section 134(12)(c) of the Companies Act, 1965.

** Deemed interested by virtue of his shareholdings in Kota Beras Sendirian Berhad and Teoh Peng Heong & Sons Sdn. Bhd., pursuant to Section 6A of the Companies Act, 1965.

Deemed interested by virtue of his shareholdings in Kota Beras Sendirian Berhad pursuant to Section 6A of the Companies Act, 1965.

Dato' Teoh Boon Beng @ Teoh Eng Kuan and Lee See Jin, by virtue of their interests in shares in the Company, are also deemed interested in shares of all the Company's subsidiaries to the extent the Company has an interest.

Lee Chong Choon, Dr. Teoh Teik Toe, Chang Kong Foo and Teoh Teik Lin did not have any interest in shares in the related corporations during the financial year.

The other director in office at the end of the financial year did not have any interest in shares in the Company or its related corporations during the financial year.

TREASURY SHARES

During the financial year, the Company had repurchased a total of 20,000 ordinary shares of RM0.10 each of its issued and fully paid up ordinary shares from the open market for a total consideration (inclusive of commission, stamp duty and other charges) of RM14,476 at an average cost of RM0.72 per share. The repurchase transactions were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A (as amended) of the Companies Act, 1965.

As at 30 April 2015, the Company held as treasury shares a total of 40,000 of its 1,123,200,000 issued ordinary shares. Such treasury shares are held at a carrying amount of RM29,452 and further relevant details are disclosed in Note 25 to the financial statements.

OTHER STATUTORY INFORMATION

(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

    (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts in the financial statements of the Group. The directors also satisfied themselves that there were no known bad debts and that no provision for doubtful debts was necessary in the financial statements of the Company; and

    (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

    (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group inadequate to any substantial extent nor are they aware of any circumstances which would render it necessary to write off any bad debts or to make any provision for doubtful debts in respect of the financial statements of the Company inadequate to any substantial extent; and

    (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

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

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

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

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

    (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

    (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; 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 or of the Company for the financial year in which this report is made.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 11 August 2015.

Lee See Jin **Lee Chong Choon**

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

We, **Lee See Jin** and **Lee Chong Choon**, being two of the directors of NTPM Holdings Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 41 to 100 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2015 and of their financial performance and cash flows of the Group and of the Company for the year then ended.

The information set out in Note 37 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 11 August 2015.

Lee See Jin

Lee Chong Choon

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

I, **David Khoo Chong Beng**, being the officer primarily responsible for the financial management of NTPM Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 41 to 101 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed **David Khoo Chong Beng**
at Georgetown in the State of Penang
on 11 August 2015 :

David Khoo Chong Beng

Before me,

Haji Mohamed Yusoff bin Mohd. Ibrahim
(No. P156)
Commissioner for Oaths

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of NTPM Holdings Berhad, which comprise the statements of financial position as at 30 April 2015 of the Group and of the Company, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 41 to 100.

Directors' responsibility for the financial statements

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

Auditors' responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2015 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.

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

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

(b) We have considered the financial statements and the auditors' reports of the subsidiaries of which we have not acted as auditors, which are indicated in Note 14 to the financial statements, being financial statements that have been included in the consolidated financial statements.

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

(d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

Other reporting responsibilities

The supplementary information set out in Note 37 on page 101 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other 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.

Ernst & Young
AF: 0039
Chartered Accountants

Teoh Soo Hock
No. 2477/10/15(J)
Chartered Accountant

Penang, Malaysia
11 August 2015

		Group		Company	
	Note	2015 RM	2014 RM	2015 RM	2014 RM
Revenue	4	**547,513,898**	541,396,279	**16,488,904**	35,668,754
Other operating income	5	**1,828,038**	1,800,808	**4,342,353**	4,050,091
Advertising and promotional expenses		**(10,245,522)**	(10,252,221)	**(2,290)**	(9,800)
Changes in inventories of finished goods and work-in-progress		**6,464,575**	(1,458,254)	**–**	–
Depreciation	12	**(28,140,159)**	(25,734,858)	**(159,422)**	(156,271)
Employee benefits expense	6	**(97,687,191)**	(92,688,075)	**(7,629,377)**	(6,965,093)
Management fees		**–**	–	**(132,341)**	(95,025)
Purchase of trading inventories		**(33,233,986)**	(32,869,333)	**–**	–
Raw materials and consumables used		**(221,808,955)**	(213,630,337)	**–**	–
Repairs and maintenance		**(13,509,817)**	(15,865,628)	**(194,548)**	(284,006)
Transportation and freight charges		**(28,932,715)**	(28,640,016)	**–**	–
Utilities costs		**(35,311,523)**	(31,163,675)	**(20,933)**	(28,512)
Other operating expenses	8	**(21,592,203)**	(17,183,211)	**(666,235)**	(772,957)
Operating profit		**65,344,440**	73,711,479	**12,026,111**	31,407,181
Finance costs	9	**(6,025,969)**	(3,831,092)	**–**	–
Profit before tax		**59,318,471**	69,880,387	**12,026,111**	31,407,181
Income tax expense	10	**(16,676,921)**	(15,989,117)	**(1,145,981)**	(1,085,382)
Profit net of tax		**42,641,550**	53,891,270	**10,880,130**	30,321,799
Earnings per share attributable to owners of the parent (sen):					
Basic / Diluted	11	**3.80**	4.82		

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2015

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Profit net of tax	**42,641,550**	53,891,270	**10,880,130**	30,321,799
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
Foreign currency translation	**1,710,674**	562,566	**–**	–
Revaluation reserve transferred to income statement upon disposal of land	**–**	22,798	**–**	–
Other comprehensive income for the year net of tax	**1,710,674**	585,364	**–**	–
Total comprehensive income for the year	**44,352,224**	54,476,634	**10,880,130**	30,321,799

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Group	Note	30.4.2015 RM	30.4.2014 RM (Restated)	1.5.2013 RM
Assets				
Non-current assets				
Property, plant and equipment	12	**371,174,726**	305,009,422	273,438,493
Land use rights	13	**21,037,706**	20,543,187	20,090,763
Other investments	15	**–**	–	–
Deferred tax assets	16	**359,647**	413,406	381,451
		392,572,079	325,966,015	293,910,707
Current assets				
Inventories	17	**117,995,027**	94,233,967	93,511,878
Trade and other receivables	18	**108,079,269**	114,308,436	97,435,031
Tax recoverable	19	**2,618,828**	2,299,166	3,129,767
Derivative assets	20	**–**	43,371	273,605
Cash and bank balances	21	**37,350,403**	44,441,731	31,437,664
		266,043,527	255,326,671	225,787,945
Total assets		**658,615,606**	581,292,686	519,698,652
Equity and liabilities				
Current liabilities				
Loans and borrowings	22	**157,989,943**	108,605,911	93,550,904
Retirement benefit obligations	23	**1,775**	1,710	98,531
Trade and other payables	24	**82,511,958**	83,991,573	67,360,033
Tax payable		**3,203,930**	2,113,649	3,419,768
Derivative liabilities	20	**324,932**	–	–
		244,032,538	194,712,843	164,429,236
Net current assets		**22,010,989**	60,613,828	61,358,709
Non-current liabilities				
Loans and borrowings	22	**33,094,094**	25,304,306	22,066,057
Deferred tax liabilities	16	**18,741,378**	18,737,685	20,775,565
Retirement benefit obligations	23	**2,422,196**	2,121,178	2,040,649
		54,257,668	46,163,169	44,882,271
Total liabilities		**298,290,206**	240,876,012	209,311,507
Net assets		**360,325,400**	340,416,674	310,387,145
Equity attributable to owners of the parent				
Share capital	25	**112,320,000**	112,320,000	112,320,000
Treasury shares	25	**(29,452)**	(14,976)	(5,737,623)
Other reserves	26	**45,368,361**	43,657,687	43,072,323
Retained profits	27	**202,666,491**	184,453,963	160,732,445
Total equity		**360,325,400**	340,416,674	310,387,145
Total equity and liabilities		**658,615,606**	581,292,686	519,698,652

STATEMENTS OF FINANCIAL POSITION
AS AT 30 APRIL 2015 (Cont'd.)

Company	Note	30.4.2015 RM	30.4.2014 RM
Assets			
Non-current assets			
Property, plant and equipment	12	599,871	757,848
Investments in subsidiaries	14	20,216,543	20,216,543
Deferred tax assets	16	23,709	30,081
		20,840,123	21,004,472
Current assets			
Trade and other receivables	18	102,816,088	116,308,692
Tax recoverable		32,646	–
Cash and bank balances	21	1,754,154	2,280,471
		104,602,888	118,589,163
Total assets		125,443,011	139,593,635
Equity and liabilities			
Current liabilities			
Trade and other payables	24	2,943,440	3,470,847
Tax payable		–	59,849
		2,943,440	3,530,696
Net current assets		101,659,448	115,058,467
Net assets		122,499,571	136,062,939
Equity attributable to owners of the parent			
Share capital	25	112,320,000	112,320,000
Treasury shares	25	(29,452)	(14,976)
Retained profits	27	10,209,023	23,757,915
Total equity		122,499,571	136,062,939
Total equity and liabilities		125,443,011	139,593,635

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Group	Note	Share capital RM	Treasury shares RM	Other reserves RM	Retained profits RM	Total RM
		← Non-distributable		→	Distributable	
At 1 May 2014		112,320,000	(14,976)	43,657,687	184,453,963	340,416,674
Total comprehensive income		–	–	1,710,674	42,641,550	44,352,224
Transactions with owners						
Purchase of treasury shares	25	–	(14,476)	–	–	(14,476)
Dividends	28	–	–	–	(24,429,022)	(24,429,022)
Total transactions with owners		–	(14,476)	–	(24,429,022)	(24,443,498)
At 30 April 2015		**112,320,000**	**(29,452)**	**45,368,361**	**202,666,491**	**360,325,400**
Group						
At 1 May 2013		112,320,000	(5,737,623)	43,072,323	160,732,445	310,387,145
Total comprehensive income		–	–	585,364	53,891,270	54,476,634
Transactions with owners						
Purchase of treasury shares	25	–	(104,079)	–	–	(104,079)
Sale of treasury shares	25	–	5,826,726	–	–	5,826,726
Gain on sale of treasury shares		–	–	–	2,402,758	2,402,758
Dividends	28	–	–	–	(32,572,510)	(32,572,510)
Total transactions with owners		–	5,722,647	–	(30,169,752)	(24,447,105)
At 30 April 2014		112,320,000	(14,976)	43,657,687	184,453,963	340,416,674

Company	Note	Share capital RM	Treasury shares RM	Retained profits RM	Total RM
		← Non-distributable	→	Distributable	
At 1 May 2014		112,320,000	(14,976)	23,757,915	136,062,939
Total comprehensive income		–	–	10,880,130	10,880,130
Transactions with owners					
Purchase of treasury shares	25	–	(14,476)	–	(14,476)
Dividends	28	–	–	(24,429,022)	(24,429,022)
Total transactions with owners		–	(14,476)	(24,429,022)	(24,443,498)
At 30 April 2015		**112,320,000**	**(29,452)**	**10,209,023**	**122,499,571**
At 1 May 2013		112,320,000	(5,737,623)	23,605,868	130,188,245
Total comprehensive income		–	–	30,321,799	30,321,799
Transactions with owners					
Purchase of treasury shares	25	–	(104,079)	–	(104,079)
Sale of treasury shares	25	–	5,826,726	–	5,826,726
Gain on sale of treasury shares		–	–	2,402,758	2,402,758
Dividends	28	–	–	(32,572,510)	(32,572,510)
Total transactions with owners		–	5,722,647	(30,169,752)	(24,447,105)
At 30 April 2014		112,320,000	(14,976)	23,757,915	136,062,939

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2015

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Operating activities				
Profit before tax	**59,318,471**	69,880,387	**12,026,111**	31,407,181
Adjustments for:				
Amortisation of land use rights	**491,406**	477,624	**–**	–
Bad debts written off	**327,404**	84,101	**–**	–
Depreciation	**28,140,159**	25,734,858	**159,422**	156,271
Dividend income	**–**	–	**(8,000,000)**	(27,780,000)
Effect of exchange rate changes	**(1,541,002)**	(470,544)	**–**	–
Interest expense	**6,025,969**	3,831,092	**–**	–
Interest income	**(378,587)**	(359,284)	**(4,342,353)**	(4,050,091)
Loss/(gain) on disposal of property, plant and equipment	**56,744**	(10,290)	**(17,522)**	14,138
Net fair value loss on derivatives	**368,303**	230,235	**–**	–
Property, plant and equipment written off	**603,138**	189,134	**–**	–
Increase in liability for defined benefit plan	**394,876**	125,977	**–**	–
Impairment (gain)/loss on trade receivables	**(76,808)**	157,678	**–**	–
Inventories written down	**–**	14,732	**–**	–
Short term accumulating compensated absences	**32,961**	552,443	**20,336**	72,339
Unrealised foreign exchange (gain)/loss	**(370,138)**	(1,084,249)	**(47,180)**	12,397
Total adjustments	**34,074,425**	29,473,507	**(12,227,297)**	(31,574,946)
Operating cash flows before changes in working capital	**93,392,896**	99,353,894	**(201,186)**	(167,765)
Changes in working capital				
Decrease/(increase) in receivables	**6,481,444**	(16,565,085)	**81,035**	(371,440)
Increase in inventories	**(23,761,060)**	(736,825)	**–**	–
(Decrease)/increase in payables	**(1,347,361)**	15,984,542	**(508,014)**	380,226
Decrease in retirement benefit obligations	**(94,102)**	(142,269)	**–**	–
Total changes in working capital	**(18,721,079)**	(1,459,637)	**(426,979)**	8,786
Cash flows generated from/(used in) operations	**74,671,817**	97,894,257	**(628,165)**	(158,979)
Interest paid	**(6,025,969)**	(3,831,092)	**–**	–
Tax paid	**(15,848,851)**	(19,804,585)	**(1,232,104)**	(1,170,230)
Tax refunded	**–**	1,268,915	**–**	704,063
Net cash flows generated from/(used in) operating activities	**52,796,997**	75,527,495	**(1,860,269)**	(625,146)
Investing activities				
Purchase of property, plant and equipment (Note A)	**(93,079,452)**	(57,585,663)	**(15,922)**	(161,461)
Dividends received	**–**	–	**19,500,000**	16,280,000
Interest received	**378,587**	359,284	**4,342,353**	4,050,091
Acquisition of land use rights	**–**	(15,243)	**–**	–
Net change in related companies balances	**–**	–	**1,919,020**	5,326,289
Proceeds from disposal of property, plant and equipment	**293,218**	353,868	**31,999**	16,200
Net cash (used in)/generated from investing activities	**(92,407,647)**	(56,887,754)	**25,777,450**	25,511,119

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Financing activities				
Dividends paid	**(24,429,022)**	(32,572,510)	**(24,429,022)**	(32,572,510)
Net change in bank borrowings	**32,401,665**	16,071,114	**–**	–
Repayment of term loans	**(15,438,845)**	(13,613,223)	**–**	–
Drawndown of term loan	**40,000,000**	16,353,540	**–**	–
Sale of treasury shares	**–**	8,229,484	**–**	8,229,484
Purchase of treasury shares	**(14,476)**	(104,079)	**(14,476)**	(104,079)
Net cash generated from/(used) in financing activities	**32,519,322**	(5,635,674)	**(24,443,498)**	(24,447,105)
Net (decrease)/increase in cash and cash equivalents	**(7,091,328)**	13,004,067	**(526,317)**	438,868
Cash and cash equivalents as at 1 May 2014/2013	**44,441,731**	31,437,664	**2,280,471**	1,841,603
Cash and cash equivalents as at 30 April 2015/2014 (Note B)	**37,350,403**	44,441,731	**1,754,154**	2,280,471

A. Purchase of property, plant and equipment

During the financial year, the Group and the Company acquired property, plant and equipment at aggregate costs of RM93,079,452 (2014: RM57,585,663) and RM15,922 (2014: RM161,461) respectively by way of the following:

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Cash payments	**93,079,452**	57,585,663	**15,922**	161,461
Trade in	**–**	–	**–**	–
	93,079,452	57,585,663	**15,922**	161,461

B. Cash and cash equivalents comprise:

	Group		Company	
	30.4.2015	30.4.2014	30.4.2015	30.4.2014
	RM	RM	RM	RM
Cash on hand and at banks	**18,755,009**	26,597,781	**1,540,516**	1,210,003
Deposits with licensed banks	**18,595,394**	17,843,950	**213,638**	1,070,468
	37,350,403	44,441,731	**1,754,154**	2,280,471

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Board of Bursa Malaysia Securities Berhad. The principal place of business of the Company is located at 886, Jalan Bandar Baru, Sungai Kecil, 14300 Nibong Tebal, Seberang Perai Selatan, Pulau Pinang.

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

The principal activities of the subsidiaries are described in Note 14.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

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

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

2.2 CHANGES IN ACCOUNTING POLICIES

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

On 1 May 2014, the Group and the Company adopted the following new and amended MFRSs and IC Interpretation mandatory for annual financial periods beginning on or after 1 May 2014.

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

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and the Company.

2.3 STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

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

Description	Effective for annual periods beginning on or after
Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to MFRSs 2010 – 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 – 2013 Cycle	1 July 2014
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016

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

2.3 STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (CONT'D.)

Description	Effective for annual periods beginning on or after
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 101: Disclosure Initiatives	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 14 Regulatory Deferral Accounts	1 January 2016
MFRS 15 Revenue from Contracts with Customers	1 January 2017
MFRS 9 Financial Instruments	1 January 2018

The directors expect that the adoption of the standards and interpretations above will have no significant impact to the financial statements in the period of initial application, except as disclosed below:

MFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS

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

The core principle of MFRS 15 is that an entity should recognise revenue which depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

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

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

The Group is currently assessing the impact of MFRS 15 and plans to adopt the new standard on the required effective date.

AMENDMENTS TO MFRS 119 DEFINED BENEFIT PLANS: EMPLOYEE CONTRIBUTIONS

The amendments to MFRS 119 clarify how an entity should account for contributions made by employees or third parties to defined benefit plans, based on whether those contributions are dependent on the number of years of service provided by the employee. For contributions that are independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. For contributions that are dependent on the number of years of service, the entity is required to attribute them to the employees' periods of service.

The directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Group's and the Company's financial statements.

MFRS 9 FINANCIAL INSTRUMENTS

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

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

2.4 SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF CONSOLIDATION

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

The Group controls an investee if and only if the Group has all the following:

(i) Power over the investee (i.e existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights, to variable returns from its investment with the investee; and

(iii) The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting rights of an investee, the Group considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

(i) The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

(ii) Potential voting rights held by the Group, other vote holders or other parties;

(iii) Rights arising from other contractual arrangements; and

(iv) Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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

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

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

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

(B) TRANSACTIONS WITH NON-CONTROLLING INTERESTS

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if it results in a deficit balance.

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

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(C) FOREIGN CURRENCY

I. FUNCTIONAL AND PRESENTATION CURRENCY

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

II. FOREIGN CURRENCY TRANSACTIONS

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

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

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

III. FOREIGN OPERATIONS

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

(D) PROPERTY, PLANT AND EQUIPMENT

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

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

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

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

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

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

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

Freehold land has an unlimited useful life and therefore is not depreciated. Leasehold land is depreciated over the period of the lease term, i.e. 97 years.

Depreciation is computed on a straight-line basis over the estimated useful lives of the other assets, at the following annual rates:

Buildings	2% - 5%
Plant and machinery and electrical installations	10%
Motor vehicles	10%
Furniture, fittings, renovation, air conditioners, office equipment and computers	5% - 33.33%

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

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

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

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

(E) LAND USE RIGHTS

Land use rights are initially measured at cost. Following initial recognition, land use rights are measured at cost less accumulated amortisation and accumulated impairment losses. The land use rights are amortised over their lease terms which range from 41 years to 46 years.

(F) SUBSIDIARIES

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

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

(G) IMPAIRMENT OF NON-FINANCIAL ASSETS

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

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

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

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

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

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(G) IMPAIRMENT OF NON-FINANCIAL ASSETS (CONT'D.)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

(H) FINANCIAL ASSETS

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

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

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

I. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

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

II. LOANS AND RECEIVABLES

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

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

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

III. HELD-TO-MATURITY INVESTMENTS

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

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

Held-to-maturity investments are classified as non-current, except for those having maturity within 12 months after the reporting date which are classified as current. The Group and the Company have not designated any financial assets as held-to-maturity investments.

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

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(H) FINANCIAL ASSETS (CONT'D.)

IV. AVAILABLE-FOR-SALE FINANCIAL ASSETS

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

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

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

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

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

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

(I) IMPAIRMENT OF FINANCIAL ASSETS

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

I. TRADE AND OTHER RECEIVABLES AND OTHER FINANCIAL ASSETS CARRIED AT AMORTISED COST

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

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

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

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

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

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(I) IMPAIRMENT OF FINANCIAL ASSETS (CONT'D.)

II. UNQUOTED EQUITY SECURITIES CARRIED AT COST

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

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

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

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

(J) CASH AND CASH EQUIVALENTS

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

(K) INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

i. Raw materials: purchase costs on a first-in first-out basis.
ii. Finished goods and work-in-progress: costs of direct materials and labour and proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a first-in first-out basis.
iii. Trading goods: purchase costs on a first-in first-out basis.

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

(L) PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

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

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

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(M) FINANCIAL LIABILITIES

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

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

I. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

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

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

The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

II. OTHER FINANCIAL LIABILITIES

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

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

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

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

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

(N) FINANCIAL GUARANTEE CONTRACTS

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

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

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

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(O) BORROWING COSTS

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

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

(P) EMPLOYEE BENEFITS

I. SHORT TERM BENEFITS

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

II. DEFINED CONTRIBUTION PLANS

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

III. DEFINED BENEFIT PLANS

The costs of providing benefits under defined benefit plans are determined separately for each plan using the projected unit credit actuarial valuation method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest and the return on plan assets (excluding net interest), are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation in the consolidated statement of profit or loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

(Q) LEASES

AS LESSEE

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss.

Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

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

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(Q) LEASES (CONT'D.)

AS LESSEE (CONT'D.)

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(R) REVENUE

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

I. SALE OF GOODS

Revenue from sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

II. REVENUE FROM SERVICES

Revenue from services rendered is recognised net of discounts as and when the services are performed.

III. INTEREST INCOME

Interest income is recognised using the effective interest method.

IV. MANAGEMENT FEES

Management fees are recognised when services are rendered.

V. DIVIDEND INCOME

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

(S) INCOME TAXES

I. CURRENT TAX

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

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

II. DEFERRED TAX

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

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

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

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

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(S) INCOME TAXES (CONT'D.)

II. DEFERRED TAX (CONT'D.)

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

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

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

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

III. SALES TAX AND GOODS AND SERVICES TAX ("GST")

Revenues, expenses and assets are recognised net of the amount of sales tax and GST except:

- Where the sales tax and GST incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax and GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax and GST included.

The net amount of sales tax and GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

(T) SEGMENT REPORTING

For management purposes, the Group is organised into operating segments based on business segments 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 34, including the factors used to identify the reportable segments and the measurement basis of segment information.

(U) SHARE CAPITAL AND SHARE ISSUANCE EXPENSES

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

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

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

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(V) TREASURY SHARES

When shares of the Company, that have not been cancelled, recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount is recognised in equity.

(W) CONTINGENCIES

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

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

(X) HEDGE ACCOUNTING

The Group uses forward currency contracts to manage its exposure to foreign market risk and liquidity risk. The Group applies hedge accounting for certain hedging relationships which qualify for hedge accounting.

For the purpose of hedge accounting, hedging relationships are classified as:

- Fair value hedges, when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment (except for foreign currency risk); or
- Cash flow hedges, when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; or
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges which meet the strict criteria for hedge accounting are accounted for as follows:

I. FAIR VALUE HEDGES

The change in the fair value of an interest rate hedging derivative is recognised in the profit or loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as a part of the carrying value of the hedged item and is also recognised in profit or loss as finance costs.

For fair value hedges relating to items carried at amortised cost, the adjustment to carrying value is amortised through profit or loss over the remaining term to maturity. Effective interest rate amortisation may begin as soon as an adjustment exists and shall begin no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedge item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

Fair value hedge accounting is discontinued if the hedging instrument expires or is sold, terminated or exercised, the hedge no longer meets the criteria for hedge accounting or the Group revokes the designation.

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

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(X) HEDGE ACCOUNTING (CONT'D.)

II. CASH FLOW HEDGES

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income into cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss as other operating expenses.

Amounts recognised in other comprehensive income previously are reclassified from equity to profit or loss when the hedged transaction affects profit or loss, such as when the hedged interest income or interest expense is recognised or when a forecast sale occurs. Where the hedged item is a non-financial asset or a non-financial liability, the amounts recognised previously in other comprehensive income are removed and included in the initial carrying amount of the non-financial asset or liability. The Group has elected not to apply basis adjustments to hedges of forecast transactions that result in the recognition of a non-financial asset or a non-financial liability.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognised in other comprehensive income remains in equity until the forecast transaction or firm commitment affects profit or loss.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecasted transactions.

III. HEDGES OF NET INVESTMENTS IN FOREIGN OPERATIONS

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income while any gains or losses relating to the ineffective portion are recognised in profit or loss. On disposal of the foreign operation, the cumulative amount of any such gains or losses recorded in other comprehensive income is reclassified from equity to profit or loss.

IV. DERIVATIVES THAT ARE NOT DESIGNATED OR DO NOT QUALIFY FOR HEDGE ACCOUNTING

Any gains or losses arising from changes in fair value on derivatives during the year that do not qualify for hedge accounting are directly recognised in profit or loss.

(Y) FAIR VALUE MEASUREMENT

The Group and the Company measure financial instruments, such as, derivatives, and non-financial assets such as properties, at fair value at each reporting date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 31.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

2.4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(Y) FAIR VALUE MEASUREMENT (CONT'D.)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group and the Company determine the policies and procedures for recurring fair value measurement, such as properties and unquoted available-for-sale ("AFS") financial assets.

External valuers may be involved for valuation of significant assets, such as properties and AFS financial assets. Involvement of external valuers is decided upon annually by the Company. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the 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 asset or liability affected in the future.

3.1 JUDGEMENTS MADE IN APPLYING ACCOUNTING POLICIES

There are no critical judgements made by management in the process of applying the Group's and the Company's accounting policies that has significant effect on the amounts recognised in the financial statements.

3.2 KEY SOURCES OF ESTIMATION UNCERTAINTY

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

I. DEFERRED TAX ASSETS

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The total carrying value of unrecognised tax losses and capital allowances of the Group was RM31,179,604 (2014: RM20,285,820). Further details of unrecognised tax losses and capital allowances are disclosed in Note 16.

II. IMPAIRMENT OF INVESTMENTS IN SUBSIDIARIES

The Company had recognised an impairment loss in respect of investments in subsidiaries. The Company carried out the impairment test based on the estimation of the higher of the value-in-use or the fair value less cost to sell of the cash-generating units ("CGU") to which the investments in subsidiaries belong to. Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the CGU and also to determine a suitable discount rate in order to calculate the present value of those cash flows. Further details of the impairment losses recognised are disclosed in Note 14.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D.)

3.2 KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D.)

III. DEPRECIATION OF PLANT AND EQUIPMENT

The cost of paper making machinery is depreciated on a straight-line basis over the asset's useful life. Management estimates the useful lives of these plant and machinery to be within 10 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

IV. INVENTORIES

Inventories of the Group are written down to net realisable value based on an analysis of the aging profile and taking into account the expected sales patterns of individual items held in inventory. Changes in the inventory aging and the expected sales profiles may have an impact on the amount of write down recorded.

V. IMPAIRMENT OF FINANCIAL ASSETS

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired. 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 debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's and the Company's loans and receivables at the reporting date are disclosed in Note 18.

4. REVENUE

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Sales of paper products	**547,513,898**	541,396,279	**–**	–
Management fees	**–**	–	**8,488,904**	7,888,754
Dividend income	**–**	–	**8,000,000**	27,780,000
	547,513,898	541,396,279	**16,488,904**	35,668,754

5. OTHER OPERATING INCOME

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Sundry income	**1,449,451**	1,441,524	**–**	–
Interest income from:				
- Loans and receivables	**–**	–	**4,322,729**	4,025,304
- Deposits with licensed banks	**378,587**	359,284	**19,624**	24,787
	1,828,038	1,800,808	**4,342,353**	4,050,091

6. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Wages and salaries	**71,359,563**	66,933,606	**2,468,600**	2,034,272
Executive directors' remuneration (Note 7)	**5,212,919**	5,074,990	**4,430,364**	4,196,930
Social security contributions	**932,601**	899,663	**23,422**	22,725
Short term accumulating compensated absences	**330,903**	541,607	**12,825**	59,358
Contribution to defined contribution plan	**8,748,435**	7,983,346	**520,527**	452,918
Increase in liability for defined benefit plan (Note 23)	**394,876**	125,977	**–**	–
Sundry wages	**5,714,534**	6,159,559	**1,706**	–
Other benefits	**4,993,360**	4,969,327	**171,933**	198,890
	97,687,191	92,688,075	**7,629,377**	6,965,093

Included in employee benefits expense of the Group and of the Company are remuneration of the Company's executive directors amounting to RM2,663,244 (2014: RM2,765,420) and RM2,645,844 (2014: RM2,748,020) respectively as further disclosed in Note 7.

7. DIRECTORS' REMUNERATION

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Directors of the Company				
Executive directors' remuneration:				
Fees	**120,000**	120,000	**120,000**	120,000
Other emoluments	**2,497,844**	2,600,020	**2,497,844**	2,600,020
Benefits-in-kind	**45,400**	45,400	**28,000**	28,000
	2,663,244	2,765,420	**2,645,844**	2,748,020
Non-executive directors' remuneration:				
Fees	**240,000**	240,000	**240,000**	240,000
Other emoluments	**8,000**	9,000	**8,000**	9,000
	248,000	249,000	**248,000**	249,000
Other Directors				
Executive directors' remuneration:				
Fees	**112,158**	111,126	**–**	–
Other emoluments	**2,482,917**	2,243,844	**1,812,520**	1,476,910
Benefits-in-kind	**48,779**	39,875	**–**	–
	2,643,854	2,394,845	**1,812,520**	1,476,910
Non-executive directors' remuneration:				
Fees	**24,989**	24,384	**–**	–
	5,580,087	5,433,649	**4,706,364**	4,473,930
Total directors' remuneration:				
Executive directors' remuneration (Note 6)	**5,212,919**	5,074,990	**4,430,364**	4,196,930
Non-executive directors' remuneration (Note 8)	**272,989**	273,384	**248,000**	249,000
	5,485,908	5,348,374	**4,678,364**	4,445,930
Estimated money value of benefits-in-kind	**94,179**	85,275	**28,000**	28,000
Total directors' remuneration including benefits-in-kind	**5,580,087**	5,433,649	**4,706,364**	4,473,930

7. DIRECTORS' REMUNERATION (CONT'D.)

The details of remuneration receivable by directors during the year are as follows:

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Executive:				
Salaries and other emoluments	**3,211,337**	2,887,396	**2,684,694**	2,376,734
Fees	**232,158**	231,126	**120,000**	120,000
Bonus				
- Current year provision	**1,769,424**	1,995,038	**1,625,670**	1,738,766
- Over provision in prior year	**–**	(38,570)	**–**	(38,570)
Benefits-in-kind	**94,179**	85,275	**28,000**	28,000
	5,307,098	5,160,265	**4,458,364**	4,224,930
Non-executive:				
Fees	**264,989**	264,384	**240,000**	240,000
Allowance	**8,000**	9,000	**8,000**	9,000
	272,989	273,384	**248,000**	249,000
	5,580,087	5,433,649	**4,706,364**	4,473,930

The number of directors of the Company whose total remuneration during the year fall within the following bands is analysed as follows:

	Number of Directors	
	2015	2014
Executive directors:		
RM650,001 - RM700,000	**1**	1
RM1,950,001 - RM2,000,000	**1**	–
RM2,050,001 - RM2,100,000	**–**	1
Non-executive directors:		
RM50,001 - RM100,000	**4**	4
RM50,000 and below	**–**	1

8. OTHER OPERATING EXPENSES

Other operating expenses are stated:

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
After charging/(crediting):				
Auditors' remuneration				
- statutory audit				
- current year	**246,785**	238,768	**48,000**	48,760
- underprovision in prior years	**6,380**	4,240	**2,120**	3,180
- other services	**105,119**	58,638	**15,512**	16,324

8. OTHER OPERATING EXPENSES (CONT'D.)

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Amortisation of land use rights	**491,406**	477,624	**–**	–
Bad debts written off	**327,404**	84,101	**–**	–
Bad debts recovered	**(13,609)**	(13,889)	**–**	–
Inventories written down	**–**	14,732	**–**	–
Loss/(gain) on disposal of property, plant and equipment	**56,744**	(10,290)	**(17,522)**	14,138
Net fair value loss on derivatives	**368,303**	230,235	**–**	–
Net foreign exchange loss/(gain)	**3,000,587**	(1,114,668)	**(43,506)**	(20,827)
Non-executive directors' remuneration (Note 7)	**272,989**	273,384	**248,000**	249,000
Property, plant and equipment written off	**603,138**	189,134	**–**	–
Rental expense	**1,052,205**	1,060,806	**43,200**	43,200
(Reversal)/impairment loss on trade receivables	**(76,808)**	157,678	**–**	–

9. FINANCE COSTS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Interest expense on:				
- Bank borrowings	**6,025,969**	3,831,092	**–**	–

10. INCOME TAX EXPENSE

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Income tax:				
Malaysian income tax	**16,082,417**	17,878,415	**1,138,435**	1,079,768
Foreign tax	**449,383**	403,073	**–**	–
	16,531,800	18,281,488	**1,138,435**	1,079,768
Under/(over) provision in prior years:				
Malaysian income tax	**79,452**	(56,361)	**1,174**	12,819
Foreign tax	**9,529**	(163,000)	**–**	–
	88,981	(219,361)	**1,174**	12,819
Deferred tax (Note 16):				
Relating to origination and reversal of temporary differences	**856,856**	(2,135,648)	**5,925**	(7,205)
Relating to reduction in Malaysian tax rate	**(676,685)**	–	**988**	–
(Over)/under provision in prior years	**(124,031)**	62,638	**(541)**	–
	56,140	(2,073,010)	**6,372**	(7,205)
	16,676,921	15,989,117	**1,145,981**	1,085,382

10. INCOME TAX EXPENSE (CONT'D.)

The Malaysian corporate statutory tax rate for the year of assessment 2015 was 25% (2014: 25%). The Malaysian corporate statutory tax rate will be reduced to 24% from the current year's rate of 25% effective year of assessment 2016.

RECONCILIATION BETWEEN TAX EXPENSE AND ACCOUNTING PROFIT

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 30 April 2015 and 2014 are as follows:

	Group	
	2015 RM	**2014 RM**
Profit before tax	**59,318,471**	69,880,387
Taxation at Malaysian statutory tax rate of 25% (2014: 25%)	**14,829,618**	17,470,097
Deferred tax recognised at different tax rate	**(676,685)**	–
Effect of different tax rates in other countries	**(129,074)**	(255,693)
Effect of expenses not deductible for tax purposes	**1,090,801**	921,233
Effect of income not subject to tax	**(409,994)**	(237,700)
Deferred tax assets not recognised during the year	**2,723,446**	1,509,445
Deferred tax assets recognised on unutilised reinvestment allowance arising during current year	**(280,974)**	(2,962,394)
Allowance for increased exports claimed during the year	**–**	(106,145)
Reinvestment allowance claimed during the year	**(435,167)**	(193,003)
Under/(over) provision of income tax in prior years	**88,981**	(219,361)
(Over)/under provision of deferred tax in prior years	**(124,031)**	62,638
Tax expense for the year	**16,676,921**	15,989,117

	Company	
	2015 RM	**2014 RM**
Profit before tax	**12,026,111**	31,407,181
Taxation at Malaysian statutory tax rate of 25% (2013: 25%)	**3,006,528**	7,851,795
Deferred tax recognised at different tax rate	**988**	–
Effect of expenses not deductible for tax purposes	**137,832**	165,768
Effect of income not subject to tax	**(2,000,000)**	(6,945,000)
Under provision of income tax in prior years	**1,174**	12,819
Over provision of deferred tax in prior years	**(541)**	–
Tax expense for the year	**1,145,981**	1,085,382

11. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the year net of tax attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Group 2015	Group 2014
Profit net of tax attributable to owners of the parent used in the computation of basic earnings per share (RM)	**42,641,550**	53,891,270
Weighted average number of ordinary shares used in the computation of earnings per share (RM)	**1,123,172,658**	1,117,926,993
Basic earnings per share (sen)	**3.80**	4.82
Diluted earnings per share (sen)	**3.80**	4.82

Basic and diluted earnings per share is the same as there is no convertible instrument issued.

12. PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings * RM	Capital work-in-progress RM	Plant and machinery and electrical installations RM	Motor vehicles RM	Furniture, fittings, renovation, air conditioners, office equipment and computers RM	Total RM
At 30.4.2015						
Cost/valuation						
At 1 May 2014						
At cost	–	29,404,592	362,673,392	35,278,903	10,049,254	437,406,141
At valuation	144,990,661	–	–	–	–	144,990,661
	144,990,661	29,404,592	362,673,392	35,278,903	10,049,254	582,396,802
Additions	2,410,811	78,439,644	7,390,307	3,612,838	1,225,852	93,079,452
Disposals	–	–	(3,024)	(1,443,882)	–	(1,446,906)
Write offs	–	(16,860)	(833,373)	–	(24,989)	(875,222)
Reclassification	44,545,685	(91,025,940)	45,841,323	–	638,932	–
Translation difference	1,199,653	–	937,052	132,432	10,110	2,279,247
At 30 April 2015	**193,146,810**	**16,801,436**	**416,005,677**	**37,580,291**	**11,899,159**	**675,433,373**
Representing:						
At cost	–	16,801,436	416,005,677	37,580,291	11,899,159	482,286,563
At valuation	193,146,810	–	–	–	–	193,146,810
At 30 April 2015	**193,146,810**	**16,801,436**	**416,005,677**	**37,580,291**	**11,899,159**	**675,433,373**

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

Group	Land and buildings * RM	Capital work-in-progress RM	Plant and machinery and electrical installations RM	Motor vehicles RM	Furniture, fittings, renovation, air conditioners, office equipment and computers RM	Total RM
Accumulated depreciation and impairment losses						
At 1 May 2014	2,929,509	–	245,644,444	20,712,216	8,101,211	277,387,380
Depreciation charge for the year	2,024,725	–	22,891,172	2,671,502	552,760	28,140,159
Disposals	–	–	(1,033)	(1,095,911)	–	(1,096,944)
Write offs	–	–	(250,012)	–	(22,072)	(272,084)
Translation difference	2,726	–	7,709	81,941	7,760	100,136
At 30 April 2015	**4,956,960**	**–**	**268,292,280**	**22,369,748**	**8,639,659**	**304,258,647**
Net carrying amount						
At cost	–	16,801,436	147,713,397	15,210,543	3,259,500	182,984,876
At valuation	188,189,850	–	–	–	–	188,189,850
At 30 April 2015	**188,189,850**	**16,801,436**	**147,713,397**	**15,210,543**	**3,259,500**	**371,174,726**
Group						
At 30.4.2014						
Cost/valuation						
At 1 May 2013						
At cost	–	16,261,350	329,077,894	32,047,397	9,507,776	386,894,417
At valuation	139,445,379	–	–	–	–	139,445,379
	139,445,379	16,261,350	329,077,894	32,047,397	9,507,776	526,339,796
Additions	15,900	51,329,476	953,338	4,762,286	524,663	57,585,663
Disposals	(31,265)	–	(5,040)	(1,107,134)	(20,118)	(1,163,557)
Write offs	–	(50,191)	–	(534,927)	(104,516)	(689,634)
Reclassification	5,560,647	(38,338,503)	32,647,200	–	130,656	–
Translation difference	–	202,460	–	111,281	10,793	324,534
At 30 April 2014	144,990,661	29,404,592	362,673,392	35,278,903	10,049,254	582,396,802
Representing:						
At cost	–	29,404,592	362,673,392	35,278,903	10,049,254	437,406,141
At valuation	144,990,661	–	–	–	–	144,990,661
At 30 April 2014	144,990,661	29,404,592	362,673,392	35,278,903	10,049,254	582,396,802

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

Group	Land and buildings * RM	Capital work-in-progress RM	Plant and machinery and electrical installations RM	Motor vehicles RM	Furniture, fittings, renovation, air conditioners, office equipment and computers RM	Total RM
Accumulated depreciation and impairment losses						
At 1 May 2013	1,422,762	–	224,337,809	19,393,507	7,747,225	252,901,303
Depreciation charge for the year	1,506,747	–	21,296,745	2,468,594	462,772	25,734,858
Disposals	–	–	(1,274)	(822,611)	(20,092)	(843,977)
Write offs	–	–	–	(400,632)	(99,868)	(500,500)
Reclassification	–	–	11,164	(12,954)	1,790	–
Translation difference	–	–	–	86,312	9,384	95,696
At 30 April 2014	2,929,509	–	245,644,444	20,712,216	8,101,211	277,387,380
Net carrying amount						
At cost	–	29,404,592	117,028,948	14,566,687	1,948,043	162,948,270
At valuation	142,061,152	–	–	–	–	142,061,152
At 30 April 2014	142,061,152	29,404,592	117,028,948	14,566,687	1,948,043	305,009,422

* LAND AND BUILDINGS

Group	Freehold land RM	Long-term leasehold land RM	Buildings RM	Total RM
At 30.4.2015				
Valuation				
At 1 May 2014	68,225,571	1,710,000	75,055,090	144,990,661
Additions	2,410,811	–	–	2,410,811
Reclassification	–	–	44,545,685	44,545,685
Translation difference	–	–	1,199,653	1,199,653
At 30 April 2015	**70,636,382**	**1,710,000**	**120,800,428**	**193,146,810**
Accumulated depreciation				
At 1 May 2014	–	35,780	2,893,729	2,929,509
Depreciation charge for the year	–	17,890	2,006,835	2,024,725
Translation difference	–	–	2,726	2,726
At 30 April 2015	**–**	**53,670**	**4,903,290**	**4,956,960**
Net carrying amount				
At 30 April 2015	**70,636,382**	**1,656,330**	**115,897,138**	**188,189,850**

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

* LAND AND BUILDINGS (CONT'D.)

Group	Freehold land RM	Long-term leasehold land RM	Buildings RM	Total RM
At 30.4.2014				
Valuation				
At 1 May 2013	68,256,836	1,710,000	69,478,543	139,445,379
Additions	–	–	15,900	15,900
Disposals	(31,265)	–	–	(31,265)
Reclassification	–	–	5,560,647	5,560,647
At 30 April 2014	68,225,571	1,710,000	75,055,090	144,990,661
Accumulated depreciation				
At 1 May 2013	–	17,890	1,404,872	1,422,762
Depreciation charge for the year	–	17,890	1,488,857	1,506,747
At 30 April 2014	–	35,780	2,893,729	2,929,509
Net carrying amount				
At 30 April 2014	68,225,571	1,674,220	72,161,361	142,061,152

Company	Motor vehicles RM	Furniture, fittings, renovation, air conditioners, office equipment and computers RM	Total RM
At 30.4.2015			
Cost			
At 1 May 2014	1,559,437	154,120	1,713,557
Additions	–	15,922	15,922
Disposals	(149,946)	–	(149,946)
At 30 April 2015	**1,409,491**	**170,042**	**1,579,533**

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

Company	Motor vehicles RM	Furniture, fittings, renovation, air conditioners, office equipment and computers RM	Total RM
Accumulated depreciation			
At 1 May 2014	849,420	106,289	955,709
Depreciation charge for the year	143,699	15,723	159,422
Disposals	(135,469)	–	(135,469)
At 30 April 2015	**857,650**	**122,012**	**979,662**
Net carrying amount			
At 30 April 2015	**551,841**	**48,030**	**599,871**
At 30.4.2014			
Cost			
At 1 May 2013	1,496,969	144,605	1,641,574
Additions	149,147	12,314	161,461
Disposals	(86,679)	(2,799)	(89,478)
At 30 April 2014	1,559,437	154,120	1,713,557
Accumulated depreciation			
At 1 May 2013	762,845	95,733	858,578
Depreciation charge for the year	142,916	13,355	156,271
Disposals	(56,341)	(2,799)	(59,140)
At 30 April 2014	849,420	106,289	955,709
Net carrying amount			
At 30 April 2014	710,017	47,831	757,848

(a) Had the revalued properties been carried under the cost model, the net carrying amounts of each class of property, plant and equipment that would have been included in the financial statements of the Group would be as follows:

	Group 30.4.2015 RM	Group 30.4.2014 RM
Freehold land	**27,534,853**	27,417,663
Buildings	**98,917,652**	56,338,539
	126,452,505	83,756,202

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

(b) Included in property, plant and equipment of the Group are fully depreciated assets which are still in use costing RM210,692,766 (2014: RM154,356,884).

(c) The net carrying amount of temporarily idle assets of the Group amounted to RM7,513,334 (2014: RM7,383,000).

(d) Included in property, plant and equipment of the Group are motor vehicles with net carrying amount of RM4 (2014: RM2,157) which are held in trust by third parties.

13. LAND USE RIGHTS

	Group	
	30.4.2015 RM	30.4.2014 RM
At 1 May	**20,543,187**	20,090,763
Addition during the year	**–**	15,243
Amortisation for the year	**(491,406)**	(477,624)
Translation difference	**985,925**	914,805
At 30 April	**21,037,706**	20,543,187
Analysed as:		
Short term leasehold land	**21,037,706**	20,543,187

14. INVESTMENTS IN SUBSIDIARIES

	Company	
	30.4.2015 RM	30.4.2014 RM
Unquoted shares, at cost	**21,716,543**	21,716,543
Accumulated impairment loss	**(1,500,000)**	(1,500,000)
	20,216,543	20,216,543

Details of the subsidiaries are as follows:

Name of subsidiaries	Equity interest held 30.4.2015 %	Equity interest held 30.4.2014 %	Principal activities	Country of incorporation
Nibong Tebal Enterprise Sendirian Berhad	**100.00**	100.00	Trading in paper, cotton, diapers and sanitary products	Malaysia
Nibong Tebal Paper Mill Sdn. Bhd.	**100.00**	100.00	Manufacturing and trading of paper products such as toilet rolls, tissues, serviettes and investment holding	Malaysia
Nibong Tebal Personal Care Sdn. Bhd.	**100.00**	100.00	Manufacturing and trading of personal care products such as sanitary products, baby diapers, facial cotton and adult diapers	Malaysia
Nibong Tebal Logistics Sdn. Bhd.	**100.00**	100.00	Provision of integrated logistics services	Malaysia

14. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Name of subsidiaries	Equity interest held		Principal activities	Country of incorporation
	30.4.2015 %	30.4.2014 %		
Nibong Tebal IT Sdn. Bhd.	**100.00**	100.00	Provision of information technology support and services	Malaysia
Nibong Tebal Technology Sdn. Bhd.	**100.00**	100.00	Undertaking of research and development activities on the production technology, biotechnology and recycling of waste materials related to paper industry	Malaysia
NTPM (Thailand) Co., Ltd. *	**100.00**	100.00	Importers and dealers in all kinds of paper products, tissue papers and trading in Fast Moving Consumer Goods ("FMCG")	Thailand
NTPM (Singapore) Pte. Ltd.**	**100.00**	100.00	Importers and dealers in all kinds of paper products, tissue papers and trading in FMCG	Singapore
Nibong Tebal Paper Products Sdn. Bhd.	**100.00**	100.00	Undertaking of paper product and printing related business and general trading	Malaysia
NTPM Paper Mill (Bentong) Sdn. Bhd.	**100.00**	100.00	Manufacturing and trading of paper products mainly toilet rolls	Malaysia
NTPM (International) Pte. Ltd.**	**100.00**	100.00	Investment holding	Singapore
NTPM (Vietnam) Co. Ltd.*	**100.00**	100.00	Manufacturing and processing of tissue paper and products related to tissue paper and manufacturing of semi-finished paper rolls	Vietnam

* Audited by a firm of auditors other than Ernst & Young
** Audited by member firm of Ernst & Young Global in the respective country

IMPAIRMENT LOSS RECOGNISED

The management of the Company has carried out a review of the recoverable amount of its investments in subsidiaries. The review has led to the retention of the impairment loss of RM1,500,000 recognised in the prior year's profit or loss. The recoverable amount was based on the value in use calculation using cash flow projections based on the financial budgets approved by management covering a five-year period.

The following describes each key assumption on which the management has based its cash flow projection to undertake impairment testing of investment:

- The basis used to determine the value assigned to budgeted gross margin is the average gross margin achieved in the year immediately before budgeted year.
- The weighted average growth rate used is determined based on the historical achievement in the year immediately before budgeted year adjusted for expected efficiency improvements and price increase due to inflation.
- The 7.6% discount rate used is pre-tax and reflects the cost of capital and internal rate of return of the Company.

SENSITIVITY TO CHANGES IN ASSUMPTIONS

With regard to the assessment of value-in-use of all CGUs, the management believes that any reasonable change in any of the above key assumptions would not cause the carrying value of the CGUs to materially exceed their recoverable amounts.

15. OTHER INVESTMENTS

	Group	
	30.4.2015 RM	30.4.2014 RM
Memberships in golf club, at cost	**41,185**	41,185
Accumulated impairment loss	**(41,185)**	(41,185)
	–	–

The management of the Group has carried out a review of the recoverable amount of its investments in golf club memberships. The review has led to the retention of the impairment loss recognised in the prior year's profit or loss.

16. DEFERRED TAX

	Group	
	30.4.2015 RM	30.4.2014 RM
At 1 May	**18,324,279**	20,394,114
Recognised in profit or loss (Note 10)	**56,140**	(2,073,010)
Recognised directly in equity	**–**	1,200
	18,380,419	18,322,304
Exchange differences	**1,312**	1,975
At 30 April	**18,381,731**	18,324,279
Presented after appropriate offsetting as follows:		
Deferred tax assets	**(359,647)**	(413,406)
Deferred tax liabilities	**18,741,378**	18,737,685
	18,381,731	18,324,279

	Company	
	30.4.2015 RM	30.4.2014 RM
At 1 May	**(30,081)**	(22,876)
Recognised in profit or loss (Note 10)	**6,372**	(7,205)
At 30 April	**(23,709)**	(30,081)
Presented after appropriate offsetting as follows:		
Deferred tax assets	**(23,709)**	(30,081)

16. DEFERRED TAX (CONT'D.)

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

DEFERRED TAX ASSETS OF THE GROUP:

	Retirement benefit obligations RM	Unused tax losses, unabsorbed reinvestment allowances and capital allowances RM	Other payables RM	Others RM	Total RM
At 1 May 2014	(530,225)	(6,253,084)	(882,510)	(471,665)	(8,137,484)
Recognised in profit or loss	(50,165)	(259,566)	14,441	43,389	(251,901)
Exchange differences	–	–	(294)	–	(294)
At 30 April 2015	**(580,390)**	**(6,512,650)**	**(868,363)**	**(428,276)**	**(8,389,679)**
At 1 May 2013	(534,285)	(2,762,825)	(933,398)	(450,519)	(4,681,027)
Recognised in profit or loss	4,060	(3,490,259)	51,042	(21,146)	(3,456,303)
Exchange differences	–	–	(154)	–	(154)
At 30 April 2014	(530,225)	(6,253,084)	(882,510)	(471,665)	(8,137,484)

DEFERRED TAX LIABILITIES OF THE GROUP:

	Property, plant and equipment RM	Revaluation of properties RM	Others RM	Total RM
At 1 May 2014	20,204,801	6,247,277	9,685	26,461,763
Recognised in profit or loss	531,784	(176,642)	(47,101)	308,041
Exchange differences	1,606	–	–	1,606
At 30 April 2015	**20,738,191**	**6,070,635**	**(37,416)**	**26,771,410**
At 1 May 2013	18,731,910	6,253,032	90,199	25,075,141
Recognised in profit or loss	1,470,762	(6,955)	(80,514)	1,383,293
Charged to equity	–	1,200	–	1,200
Exchange differences	2,129	–	–	2,129
At 30 April 2014	20,204,801	6,247,277	9,685	26,461,763

16. DEFERRED TAX (CONT'D.)

DEFERRED TAX ASSETS OF THE COMPANY:

	Property, plant and equipment RM
At 1 May 2014	(30,081)
Recognised in profit or loss	6,372
At 30 April 2015	**(23,709)**
At 1 May 2013	(22,876)
Recognised in profit or loss	(7,205)
At 30 April 2014	(30,081)

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

	Group	
	30.4.2015 RM	**30.4.2014 RM**
Unused tax losses	**19,771,993**	13,341,582
Unabsorbed capital allowances	**11,279,594**	6,821,590
Other deductible temporary differences	**128,017**	122,648
	31,179,604	20,285,820

Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profits of other subsidiaries in the Group and they have arisen in subsidiaries that have a recent history of losses.

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

17. INVENTORIES

	Group	
	30.4.2015 RM	**30.4.2014 RM**
Cost:		
Raw materials	**82,612,359**	65,683,179
Work-in-progress	**5,046,209**	4,558,176
Finished goods	**21,149,218**	15,493,484
Trading goods	**9,178,567**	8,489,894
Computer parts and accessories	**8,674**	9,234
	117,995,027	94,233,967

The cost of inventories recognised as an expense during the financial year of the Group amounted to RM384,096,718 (2014: RM376,418,125).

18. TRADE AND OTHER RECEIVABLES

	Group		Company	
	30.4.2015 RM	30.4.2014 RM	30.4.2015 RM	30.4.2014 RM
Trade receivables				
Trade receivables	**90,406,626**	85,950,930	**–**	–
Allowance for impairment	**(229,320)**	(305,237)	**–**	–
Due from subsidiaries	**–**	–	**1,416,793**	1,533,650
Trade receivables, net	**90,177,306**	85,645,693	**1,416,793**	1,533,650
Other receivables				
Due from subsidiaries	**–**	–	**101,265,975**	103,177,544
Deposits for purchase of property, plant and equipment and raw materials	**10,220,538**	24,267,939	**–**	–
Dividend receivable	**–**	–	**–**	11,500,000
Prepayments	**1,376,688**	1,389,352	**2,100**	29,159
Sundry receivables and deposits	**1,122,684**	1,602,240	**41,179**	40,771
Staff advances	**495,032**	358,065	**83,971**	27,568
Indirect tax recoverable	**4,690,693**	1,048,819	**6,070**	–
	17,905,635	28,666,415	**101,399,295**	114,775,042
Allowance for impairment	**(3,672)**	(3,672)	**–**	–
Other receivables, net	**17,901,963**	28,662,743	**101,399,295**	114,775,042
Total trade and other receivables	**108,079,269**	114,308,436	**102,816,088**	116,308,692
Add: Cash and bank balances (Note 21)	**37,350,403**	44,441,731	**1,754,154**	2,280,471
Less: Deposits for purchase of property, plant and equipment and raw materials	**(10,220,538)**	(24,267,939)	**–**	–
Less: Dividend receivable	**–**	–	**–**	(11,500,000)
Less: Prepayments	**(1,376,688)**	(1,389,352)	**(2,100)**	(29,159)
Less: Indirect tax to be refunded	**(4,690,693)**	(1,048,819)	**–**	–
Total financial assets classified as loans and receivables	**129,141,753**	132,044,057	**104,568,142**	107,060,004

(A) TRADE RECEIVABLES

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are on both cash and credit basis. The Group's normal trade credit terms range from 30 to 90 days (2014: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis. The Group seeks to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest bearing.

18. TRADE AND OTHER RECEIVABLES (CONT'D.)

(A) TRADE RECEIVABLES (CONT'D.)

AGEING ANALYSIS OF TRADE RECEIVABLES

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	30.4.2015 RM	30.4.2014 RM
Neither past due nor impaired	**60,821,764**	57,482,848
1 to 30 days past due not impaired	**20,682,071**	20,344,915
31 to 60 days past due not impaired	**5,437,597**	4,414,596
61 to 90 days past due not impaired	**1,200,798**	1,289,286
More than 91 days past due not impaired	**2,035,076**	2,114,048
	29,355,542	28,162,845
Impaired	**229,320**	305,237
	90,406,626	85,950,930

RECEIVABLES THAT ARE NEITHER PAST DUE NOR IMPAIRED

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. The majority of the Group's trade receivables arise from customers with more than four years of experience with the Group and losses have occurred infrequently.

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

RECEIVABLES THAT ARE PAST DUE BUT NOT IMPAIRED

The Group has trade receivables amounting to RM29,355,542 (2014: RM28,162,845) that are past due at the reporting date but not impaired.

RECEIVABLES THAT ARE IMPAIRED

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

	Group	
	2015 RM	2014 RM
At 1 May	**305,237**	147,895
Charge for the year	**–**	157,678
Reversal of impairment	**(76,808)**	–
Exchange difference	**891**	(336)
At 30 April	**229,320**	305,237

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

Management conducts periodic assessment on its trade receivable balance on account-by-account basis. Hence, all impairment losses are provided for specific trade receivable balances. Management is of the opinion that there are no further factors that warrants the consideration of additional impairment losses on a collective basis.

18. TRADE AND OTHER RECEIVABLES (CONT'D.)

(B) OTHER RECEIVABLES

The Group's other receivables that are individually impaired at the reporting date and the movements of the allowance accounts to record the impairment are as follows:

	Group	
	2015 RM	2014 RM
At 1 May	**3,672**	3,672
Reversal of impairment losses	**–**	–
Written off	**–**	–
At 30 April	**3,672**	3,672

Other receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(C) AMOUNTS DUE FROM SUBSIDIARIES

The amounts due from subsidiaries included under trade receivables comprise management fees which are unsecured, interest-free and within the credit term.

The amounts due from subsidiaries included under other receivables comprise unsecured advances bearing interest at rates ranging from 4.1% - 4.35% (2014: 4.10% - 4.16%) per annum which are repayable upon demand.

Further details on related party transactions are disclosed in Note 29.

19. TAX RECOVERABLE

Included in the tax recoverable of the Group are additional tax liabilities and penalties paid to the Inland Revenue Board of RM1,898,100 (2014: RM1,898,100) arising from the field audit as disclosed in Note 10.

20. DERIVATIVE (LIABILITIES)/ASSETS

	Group	
	Notional Amount RM	Derivative (Liabilities)/ assets RM
<u>**Non-hedging derivatives:**</u>		
30 April 2015:		
Forward currency contracts	**24,052,544**	**(324,932)**
30 April 2014:		
Forward currency contracts	43,610,878	43,371

The Group uses forward currency contracts to manage some of the transaction exposure. These contracts are not designated as cash flows or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

Forward currency contracts are mainly used to hedge the Group's sales and purchases denominated in USD and SGD for which firm commitments existed at the reporting date.

20. DERIVATIVE (LIABILITIES)/ASSETS (CONT'D.)

During the financial year, the Group recognised a loss of RM368,303 arising from fair value changes of derivative assets and liabilities. The fair value changes are attributable to changes in foreign exchange spot and forward rate. The method and assumptions applied in determining the fair values of derivatives are disclosed in Note 31.

21. CASH AND BANK BALANCES

	Group		Company	
	30.4.2015 RM	30.4.2014 RM	30.4.2015 RM	30.4.2014 RM
Cash on hand and at banks	**18,755,009**	26,597,781	**1,540,516**	1,210,003
Deposits with licensed banks	**18,595,394**	17,843,950	**213,638**	1,070,468
	37,350,403	44,441,731	**1,754,154**	2,280,471

Deposits and short-term placements are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group and the Company, and earn interests at the respective short-term deposit rates. The interest rate range as at 30 April 2014 for the Group and the Company was 1.7% - 3.0% (2014: 1.5% - 2.8%) per annum and 1.7% (2014: 1.5%) per annum respectively.

22. LOANS AND BORROWINGS

		Group	
	30.4.2015 RM	30.4.2014 RM (Restated)	1.5.2013 RM
Current			
Unsecured:			
Bankers' acceptances	**65,355,000**	46,468,000	66,131,000
Export credit refinancing	**18,512,000**	19,266,000	10,823,000
Term loans	**10,856,683**	13,113,051	13,610,980
Islamic term loans	**19,027,735**	–	–
Onshore foreign currency loan	**10,653,000**	14,370,179	2,985,924
Revolving credit	**33,585,525**	15,388,681	–
	157,989,943	108,605,911	93,550,904
Non-current			
Unsecured:			
Term loans	**15,651,091**	25,304,306	22,066,057
Islamic term loans	**17,443,003**	–	–
	33,094,094	25,304,306	22,066,057
Total loans and borrowings	**191,084,037**	133,910,217	115,616,961

22. LOANS AND BORROWINGS (CONT'D.)

The remaining maturities of the loans and borrowings as at 30 April 2015 are as follows:

	Group		
	30.4.2015 RM	30.4.2014 RM (Restated)	1.5.2013 RM
On demand or within 1 year	**157,989,943**	108,605,911	93,550,904
More than 1 year and less than 2 years	**15,245,250**	10,452,074	10,776,719
More than 2 years and less than 5 years	**17,848,844**	14,852,232	11,289,338
	191,084,037	133,910,217	115,616,961

At the reporting date, the applicable interest rates per annum are as follows:

	Group		
	30.4.2015 %	30.4.2014 % (Restated)	1.5.2013 %
Fixed rate:			
Term loans	**2.82 - 5.40**	2.82 - 5.40	4.60 - 5.35
Floating rate:			
Bankers' acceptances	**3.40 - 4.09**	3.45 - 3.50	3.45 - 3.50
Export credit refinancing	**3.85**	3.40	3.50
Term loans	**2.82 - 5.40**	2.82 - 5.40	5.31 - 5.35
Islamic term loans	**5.00**	n/a	n/a
Onshore foreign currency loan	**1.10 - 1.14**	0.95 - 1.40	1.25 - 1.28
Revolving credit	**1.19 - 2.30**	1.13	n/a

n/a : Not applicable

The bank borrowings are secured by the following:

- Corporate guarantees from the Company for RM293,300,000 (2014: RM293,300,000); and
- Negative pledge over the assets of certain subsidiaries.

During the current financial period, a subsidiary, Nibong Tebal Personal Care Sdn. Bhd. ("NTPC") breached a covenant of the Islamic term loan. NTPC did not fulfill the requirement that the Unqualified Audited Accounts for Financial Year Ended ("FYE") 2014 Net Profit Before Tax is not worse off than FYE 2013. The facility was fully drawn down and the balance of RM14,988,295 was presented as current liability at the end of the reporting period. The bank is contractually entitled to request for immediate repayment of the outstanding loan amount in the event of breach of covenant.

The bank had not requested for immediate repayment of the outstanding loan amount as at the date when these financial statements were authorised for issue. Subsequent to year end, the bank agreed to the non-conformance of the above condition.

23. RETIREMENT BENEFIT OBLIGATIONS

A subsidiary operates an unfunded defined benefit plan for its eligible employees, as provided under the agreement between the subsidiary and the Paper And Paper Products Manufacturing Employees Union. Under the plan, employees with a minimum period of service of 5 years are entitled to retirement benefits calculated at 4% - 4.5% of final salary on attainment of the retirement age of 60.

The amount recognised at the reporting date represents the present value of the unfunded defined benefit obligations, analysed as follows:

	Group	
	30.4.2015	**30.4.2014**
	RM	**RM**
Current	**1,775**	1,710
Non-current	**2,422,196**	2,121,178
	2,423,971	2,122,888

The amounts recognised in profit or loss are as follows:

	Group	
	2015	**2014**
	RM	**RM**
Current service cost	**228,383**	72,791
Interest cost	**166,493**	53,186
Total, included in employee benefits expense (Note 6)	**394,876**	125,977

Movements in the net liability in the current year were as follows:

	Group	
	2015	**2014**
	RM	**RM**
At 1 May	**2,122,888**	2,139,180
Amounts recognised in profit or loss (Note 6)	**394,876**	125,977
Contributions paid	**(94,102)**	(142,269)
Exchange differences	**309**	–
At 30 April	**2,423,971**	2,122,888

Principal actuarial assumptions used:

	Group	
	2015	**2014**
	%	**%**
Discount rate	**6.00**	6.00
Expected rate of salary increases	**7.00**	7.00

23. RETIREMENT BENEFIT OBLIGATIONS (CONT'D.)

A quantitative sensitivity analysis for significant assumptions as at 30 April 2015 is as shown below:

Assumptions	Discount rate		Salary increment rate	
Sensitivity Level	1% increase RM	1% decrease RM	1% increase RM	1% decrease RM
Impact on the net defined benefit obligations	(340,636)	414,390	225,567	(194,838)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to be made in the future years out of the defined benefit plan obligations:

	30.4.2015 RM	30.4.2014 RM
Within the next 12 months (next annual reporting period)	**1,775**	1,710
Between 2 and 5 years	**79,669**	10,371
Between 5 and 10 years	**843,900**	690,777
Beyond 10 years	**19,604,072**	19,828,268
Total expected payments	**20,529,416**	20,531,126

24. TRADE AND OTHER PAYABLES

	Group		Company	
	30.4.2015 RM	30.4.2014 RM	30.4.2015 RM	30.4.2014 RM
Trade payables	**29,097,149**	30,412,604	**61,767**	101,496
Other payables				
Due to directors	**119,804**	603,744	**59,171**	602,814
Accrual for payroll related expenses	**13,003,502**	12,798,215	**2,576,865**	2,542,140
Indirect taxes and other statutory payables	**3,977,121**	7,433,768	**97,430**	92,674
Accruals of other expenses	**23,813,273**	16,415,780	**148,207**	131,723
Sundry payables	**12,501,109**	16,327,462	**–**	–
	53,414,809	53,578,969	**2,881,673**	3,369,351
Total trade and other payables	**82,511,958**	83,991,573	**2,943,440**	3,470,847
Add: Loans and borrowings (Note 22)	**191,084,037**	133,910,217	**–**	–
Less: Non contractual payroll related expenses	**(4,947,678)**	(4,773,003)	**(1,716,214)**	(1,710,640)
Less: Indirect taxes and other statutory payables	**(3,977,121)**	(6,183,763)	**–**	–
Total financial liabilities carried at amortised cost	**264,671,196**	206,945,024	**1,227,226**	1,760,207

24. TRADE AND OTHER PAYABLES (CONT'D.)

(A) TRADE PAYABLES

The trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 days (2014: 30 to 90 days).

Included in the trade payables is RM62,967 (2014: RM10,746) payable to Kuang Tat Food Industries Sdn. Bhd., and RM6,072 (2014: RMNil) payable to Jin Teik Organic Health Food Sdn. Bhd., companies connected to certain directors of the Group and the Company. Further details on related party transactions are disclosed in Note 29.

(B) OTHER PAYABLES

The amounts due to directors represent payroll related expenses and advances from the directors of the Company and its subsidiaries. The amounts due are interest free and repayable upon demand.

25. SHARE CAPITAL

	Authorised share capital			
	Number of ordinary shares of RM0.10 each		Amount	
	2015	2014	2015 RM	2014 RM
At 30 April	**2,500,000,000**	2,500,000,000	**250,000,000**	250,000,000

	Number of ordinary shares of RM0.10 each		Amount	
	Share capital (Issued and fully paid)	Treasury shares	Share capital (Issued and fully paid) RM	Treasury shares RM
At 1 May 2013	1,123,200,000	(13,135,900)	112,320,000	(5,737,623)
Purchase of treasury shares	–	(186,000)	–	(104,079)
Sale of treasury shares	–	13,301,900	–	5,826,726
At 30 April 2014	1,123,200,000	(20,000)	112,320,000	(14,976)
Purchase of treasury shares	–	(20,000)	–	(14,476)
At 30 April 2015	**1,123,200,000**	**(40,000)**	**112,320,000**	**(29,452)**

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

TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance.

The Company acquired 20,000 (2014: 186,000) ordinary shares in the Company through purchases on the Bursa Malaysia Securities Berhad during the financial year. The total amount paid to acquire the repurchased shares was RM14,476 (2014: RM104,079) and this was presented as a component within shareholders' equity.

The directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares.

26. OTHER RESERVES

	Non-distributable		
	Asset revaluation reserve RM	Foreign currency translation reserve RM	Total RM
Group			
At 1 May 2013	42,172,169	900,154	43,072,323
Foreign currency translation	–	562,566	562,566
Revaluation of land and buildings	22,798	–	22,798
At 30 April 2014	42,194,967	1,462,720	43,657,687
Foreign currency translation	–	1,710,674	1,710,674
At 30 April 2015	42,194,967	3,173,394	45,368,361

The nature and purpose of each category of reserves are as follows:

(A) ASSET REVALUATION RESERVE

The asset revaluation reserve is used to record increases in the fair value of freehold land and buildings and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity.

(B) FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

27. RETAINED PROFITS

The Company may distribute dividends out of its entire retained earnings as at 30 April 2015 and 2014 under the single tier system.

28. DIVIDENDS

	Dividend recognised in the year		Net dividend per share	
	2015 RM	2014 RM	2015 Sen	2014 Sen
In respect of the financial year ended 30 April 2015:				
Single tier interim dividend of 7.25% paid on 16 April 2015	**8,142,912**	–	**0.72**	–
In respect of the financial year ended 30 April 2014:				
Single tier interim dividend of 14.5% paid on 26 September 2014	**16,286,110**	–	**1.45**	–
Single tier interim dividend of 14.5% paid on 16 April 2014	**–**	16,286,110	**–**	1.45

28. DIVIDENDS (CONT'D.)

	Dividend recognised in the year		Net dividend per share	
	2015 RM	2014 RM	2015 Sen	2014 Sen
In respect of the financial year ended 30 April 2013:				
Single tier interim dividend of 14.5% paid on 11 October 2013	–	16,286,400	–	1.45
	24,429,022	32,572,510	**2.17**	2.90

29. RELATED PARTY DISCLOSURES

	Group	
	2015 RM	2014 RM
Purchase of health supplement (trading goods) from Jin Teik Organic Health Food Sdn. Bhd., a company connected to certain directors of the Group and the Company	**641,637**	17,012
Purchase of vermicelli (trading goods) from Kuang Tat Food Industries Sdn. Bhd., a company connected to certain directors of the Group and the Company	**99,867**	10,746

		Company	
		2015 RM	2014 RM
Advances to subsidiaries, net		**(1,911,569)**	(9,715,898)
Management fee paid/payable to a subsidiary	(i)	**132,341**	95,025
Management fees received/receivable from subsidiaries	(i)	**8,488,904**	7,888,754
Dividend income received/receivable from subsidiaries		**8,000,000**	27,780,000
Interest income received/receivable from subsidiaries		**4,322,729**	4,025,304
Rental paid to a subsidiary	(i)	**43,200**	43,200

(i) Management fees and rental paid were arrived at in accordance with prices negotiated between the parties.

Information regarding outstanding balances arising from related party transactions as at 30 April 2015 are disclosed in Notes 18 and 24.

The remuneration of key management during the year were as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Short term employee benefits	**5,004,414**	4,870,060	**4,272,524**	3,994,483
Post-employment benefit:				
Defined contribution plan	**575,673**	563,589	**433,840**	479,447
	5,580,087	5,433,649	**4,706,364**	4,473,930
Included in the total remuneration of key management personnel are:				
Directors' remuneration	**5,580,087**	5,433,649	**4,706,364**	4,473,930

30. COMMITMENTS

(A) CAPITAL COMMITMENTS

	Group	
	30.4.2015 RM	30.4.2014 RM
Capital expenditure:		
Approved and contracted for:		
Land and buildings	**1,802,461**	21,602,214
Plant and machinery	**2,424,664**	26,185,838
	4,227,125	47,788,052

(B) OPERATING LEASE COMMITMENTS – AS LESSEE

The Group has entered into non-cancellable operating lease agreements for the use of land, buildings and certain plant and machinery. These leases have an average life of between 3 and 5 years with no purchase option included in the contracts. There are no restrictions placed upon the Group by entering into these leases.

The future aggregate minimum lease payments under non-cancellable operating leases contracted for as at the reporting date but not recognised as liabilities and the total of future aggregate minimum lease receipts expected to be received under non-cancellable leases, are as follows:

	Group	
	30.4.2015 RM	30.4.2014 RM
Operating lease commitments payable:		
Not later than 1 year	**564,564**	412,430
Later than 1 year and not later than 5 years	**193,020**	375,440
	757,584	787,870

31. FAIR VALUE OF ASSETS AND LIABILITIES

(A) FAIR VALUE OF ASSETS AND LIABILITIES THAT ARE CARRIED AT FAIR VALUE

The following table shows an analysis of the assets and liabilities carried at fair value by level of fair value hierarchy:

	Quoted prices in active markets for identical instruments (Level 1) RM	Significant other observable inputs (Level 2) RM	Significant un-observable inputs (Level 3) RM	Total RM
Group				
At 30.4.2015				
Financial liabilities				
- Derivative liabilities (Note 20)	**–**	**(324,932)**	**–**	**(324,932)**

31. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D.)

(A) FAIR VALUE OF ASSETS AND LIABILITIES THAT ARE CARRIED AT FAIR VALUE (CONT'D.)

	Quoted prices in active markets for identical instruments (Level 1) RM	Significant other observable inputs (Level 2) RM	Significant un-observable inputs (Level 3) RM	Total RM
Group				
Non-financial assets				
- Land and buildings (Note 12)				
- Freehold land	**–**	**–**	**70,636,382**	**70,636,382**
- Long term leasehold land	**–**	**–**	**1,656,330**	**1,656,330**
- Buildings	**–**	**–**	**115,897,138**	**115,897,138**
At 30.4.2014				
Financial assets				
- Derivative assets (Note 20)	–	43,371	–	43,371
Non-financial assets				
- Land and buildings (Note 12)				
- Freehold land	–	–	68,225,571	68,225,571
- Long term leasehold land	–	–	1,674,220	1,674,220
- Buildings	–	–	72,161,361	72,161,361

FAIR VALUE HIERARCHY

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

31. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D.)

(A) FAIR VALUE OF ASSETS AND LIABILITIES THAT ARE CARRIED AT FAIR VALUE (CONT'D.)

LEVEL 3 FAIR VALUE MEASUREMENTS

I) INFORMATION ABOUT SIGNIFICANT UNOBSERVABLE INPUTS USED IN LEVEL 3 FAIR VALUE MEASUREMENTS

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3).

	Fair value RM	Valuation Techniques	Unobservable inputs	Range
As at 30.4.2015				
Property, plant and equipment				
- Freehold land	**70,636,382**	**Market comparable approach**	**Yield adjustments based on management's assumptions***	**-35% to 45%**
- Long term leasehold land	**1,656,330**	**Market comparable approach**	**Yield adjustments based on management's assumptions***	**8% to 12%**
- Buildings	**115,897,138**	**Depreciated replacement cost approach**	**Yield adjustments based on management's assumptions***	**-50% to -10%**

* The yield adjustments are made for any difference in the nature, location or condition of the specific property.

For property, plant and equipment, a significant increase (decrease) in yield adjustments based on management's assumptions would result in significantly higher (lower) fair value measurements.

The following table shows the impact on the Level 3 fair value measurement of assets and liabilities that are sensitive to changes in unobservable inputs that reflect reasonable possible alternative assumptions.

		30.4.2015 Effect of reasonable possible alternative assumptions – Increase/(Decrease)	
	Carrying amount RM	Profit or loss RM	Other comprehensive income RM
Property, plant and equipment			
- Freehold land	70,636,382	916	639,298
- Long term leasehold land	1,656,330	–	13,100
- Buildings	115,897,138	220,703	695,286

In order to determine the effect of the above reasonably positive alternative assumptions, the Group adjusted the yield adjustments based on management's assumptions by increasing and decreasing the adjustments by 1% depending on nature, location or condition of the specific property.

31. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D.)

(A) FAIR VALUE OF ASSETS AND LIABILITIES THAT ARE CARRIED AT FAIR VALUE (CONT'D.)

LEVEL 3 FAIR VALUE MEASUREMENTS (CONT'D.)

II) MOVEMENT IN LEVEL 3 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

The following table presents the reconciliation for all assets and liabilities measured at fair value based in significant unobservable inputs (Level 3):

	Property, plant and equipment		
	Freehold land RM	Leasehold land RM	Buildings RM
30.4.2015			
Opening balance	**68,225,571**	**1,674,220**	**72,161,361**
Additions	**2,410,811**	**–**	**–**
Depreciation charge for the year	**–**	**(17,890)**	**(2,006,835)**
Reclassification	**–**	**–**	**44,545,685**
Translation difference	**–**	**–**	**1,196,927**
Closing balances	**70,636,382**	**1,656,330**	**115,897,138**

III) VALUATION POLICIES AND PROCEDURES

The Group engages external professional property valuers to perform the valuation and fair value determination of all its real properties on an annual basis. Changes in Level 3 fair values are analysed and evaluated by the management after obtaining the valuation report from the external valuation experts for reasonableness before adoption into the annual accounts.

(B) FAIR VALUE OF ASSETS AND LIABILITIES BY CLASSES THAT ARE NOT CARRIED AT FAIR VALUE AND WHOSE CARRYING AMOUNTS ARE NOT REASONABLE APPROXIMATION OF FAIR VALUE

	30.4.2015		30.4.2014	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
Group				
Loans and borrowings				
- Term loans (Note 22)	15,651,091	14,975,395	25,304,306	23,759,130
- Islamic term loans (Note 22)	17,443,003	15,582,037	–	–
	33,094,094	30,557,432	25,304,306	23,759,130

(C) FAIR VALUE OF ASSETS AND LIABILITIES BY CLASSES THAT ARE NOT CARRIED AT FAIR VALUE AND WHOSE CARRYING AMOUNTS ARE REASONABLE APPROXIMATION OF FAIR VALUE

The following are classes of assets and liabilities that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	18
Loans and borrowings (current)	22
Trade and other payables	24

31. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D.)

(C) FAIR VALUE OF ASSETS AND LIABILITIES BY CLASSES THAT ARE NOT CARRIED AT FAIR VALUE AND WHOSE CARRYING AMOUNTS ARE REASONABLE APPROXIMATION OF FAIR VALUE (CONT'D.)

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

The carrying amounts of the current portion of borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

The fair values of current borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

AMOUNTS DUE FROM/(TO) SUBSIDIARIES, STAFF LOANS, AND FIXED RATE BANK LOANS

The fair values of these financial instruments are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

DERIVATIVES

Forward currency contracts are valued using a valuation technique with market observable inputs. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves.

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Group Chief Executive Officer and Financial Controller. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial year, the Group's and the Company's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient.

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

(A) CREDIT RISK

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances and derivatives), the Group and the Company minimise credit risk by limiting their associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via the Group's management reports.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. For transactions that do not occur in the country of the relevant operating unit, the Group does not offer credit terms without the approval of the Group Chief Executive Officer.

EXPOSURE TO CREDIT RISK

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

- The carrying amount of each class of financial assets recognised in the statements of financial position, including derivatives with positive fair values
- A nominal amount of RM191,084,037 (2014: RM133,910,217) relating to corporate guarantees provided by the Company to banks as securities for the subsidiaries' bank borrowings as disclosed in Note 22.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 18.

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

(A) CREDIT RISK (CONT'D.)

CREDIT RISK CONCENTRATION PROFILE

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

	30.4.2015		30.4.2014	
	RM	%	RM	%
By country:				
Malaysia	**69,608,085**	**77**	63,957,397	75
Singapore	**14,942,596**	**17**	14,288,036	17
Other countries	**5,626,625**	**6**	7,400,260	8
	90,177,306	**100**	85,645,693	100
By industry sector:				
Supermarket	**48,019,205**	**53**	39,994,980	48
Wholesale	**12,438,952**	**14**	16,649,939	19
Retail	**18,161,297**	**20**	18,359,624	21
Commercial/others	**11,557,852**	**13**	10,641,150	12
	90,177,306	**100**	85,645,693	100

At the reporting date, approximately 33% of the Group's trade receivables were due from 6 major customers who are located in Malaysia and Singapore.

FINANCIAL ASSETS THAT ARE NEITHER PAST DUE NOR IMPAIRED

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 18. Deposits with banks and other financial institutions and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

FINANCIAL ASSETS THAT ARE EITHER PAST DUE OR IMPAIRED

Information regarding financial assets that are either past due or impaired is disclosed in Note 18.

(B) LIQUIDITY RISK

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

The Group and the Company manage their 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 liquidity management, the Group and the Company maintain sufficient levels of cash or cash convertible investments to meet the working capital requirements. In addition, the Group and the Company strive to maintain available banking facilitites of a reasonable level to its overall debt position. Furthermore, the Group and the Company are able to raise funds from both capital markets and financial institutions and balance its portfolio with a combination of a mixture of short and long term fundings so as to achieve overall cost effectiveness.

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

(B) LIQUIDITY RISK (CONT'D.)

ANALYSIS OF FINANCIAL INSTRUMENTS BY REMAINING CONTRACTUAL MATURITIES

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

	30.4.2015		
	On demand or within 1 year RM	1 to 5 years RM	Total RM
Group			
Financial assets:			
Trade and other receivables	**91,791,350**	**–**	**91,791,350**
Cash and bank balances	**37,350,403**	**–**	**37,350,403**
Total undiscounted financial assets	**129,141,753**	**–**	**129,141,753**
Financial liabilities:			
Trade and other payables	**73,587,159**	**–**	**73,587,159**
Loans and borrowings	**160,217,117**	**35,262,988**	**195,480,105**
Total undiscounted financial liabilities	**233,804,276**	**35,262,988**	**269,067,264**
Total net undiscounted financial liabilities	**(104,662,523)**	**(35,262,988)**	**(139,925,511)**
Company			
Financial assets:			
Trade and other receivables	**102,813,988**	**–**	**102,813,988**
Cash and bank balances	**1,754,154**	**–**	**1,754,154**
Total undiscounted financial assets	**104,568,142**	**–**	**104,568,142**
Financial liabilities:			
Trade and other payables	**1,227,226**	**–**	**1,227,226**
Total undiscounted financial liabilities	**1,227,226**	**–**	**1,227,226**
Total net undiscounted financial assets	**103,340,916**	**–**	**103,340,916**

	30.4.2014		
	On demand or within 1 year RM	1 to 5 years RM	Total RM
Group			
Financial assets:			
Trade and other receivables	87,602,326	–	87,602,326
Cash and bank balances	44,441,731	–	44,441,731
Total undiscounted financial assets	132,044,057	–	132,044,057
Financial liabilities:			
Trade and other payables	73,034,807	–	73,034,807
Loans and borrowings	109,829,573	26,937,608	136,767,181
Total undiscounted financial liabilities	182,864,380	26,937,608	209,801,988
Total net undiscounted financial liabilities	(50,820,323)	(26,937,608)	(77,757,931)

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

(B) LIQUIDITY RISK (CONT'D.)

	30.4.2014		
	On demand or within 1 year RM	1 to 5 years RM	Total RM
Company			
Financial assets:			
Trade and other receivables	104,779,533	–	104,779,533
Cash and bank balances	2,280,471	–	2,280,471
Total undiscounted financial assets	107,060,004	–	107,060,004
Financial liabilities:			
Trade and other payables	1,760,207	–	1,760,207
Total undiscounted financial liabilities	1,760,207	–	1,760,207
Total net undiscounted financial assets	105,299,797	–	105,299,797

(C) INTEREST RATE RISK

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

The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings. Loans and borrowings at floating rates expose the Group and the Company to cash flow interest rate risk.

SENSITIVITY ANALYSIS FOR INTEREST RATE RISK

At the reporting date, if interest rates had been 10 basis point higher/lower, with all other variables held constant, the Group's and the Company's profit net of tax would have been RM96,079 lower/higher and RM75,503 higher/lower respectively. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

The table below demonstrates the sensitivity to a reasonably possible change in interest rates with all other variables held constant, of the Group's and the Company's profit net of tax (through the impact on interest expense from floating rate loans and borrowings) and of the Company's profit net of tax (through the impact on interest income from floating rate advances to subsidiaries).

	Increase/ decrease in basis point	Group 2015 Effect on profit net of tax RM	Company 2015 Effect on profit net of tax RM
- Ringgit Malaysia	**+10**	**(96,079)**	**75,503**
- Ringgit Malaysia	**-10**	**96,079**	**(75,503)**

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

(C) INTEREST RATE RISK (CONT'D.)

SENSITIVITY ANALYSIS FOR INTEREST RATE RISK (CONT'D.)

	Increase/ decrease in basis point	Group 2014 Effect on profit net of tax RM	Company 2014 Effect on profit net of tax RM
- Ringgit Malaysia	+10	(71,620)	76,963
- Ringgit Malaysia	-10	71,620	(76,963)

(D) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of the Group entities, primarily RM, Singapore Dollar ("SGD"), and Thai Baht ("THB"). The foreign currency in which these transactions are denominated is mainly USD.

Approximately 23% of the Group's sales are denominated in foreign currency whilst almost 74% of the Group's costs is denominated in the respective functional currencies of the Group entities. The Group's trade receivable and trade payable balances at the reporting date have similar exposures.

The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes. At the reporting date, such foreign currency balances (mainly in USD) amounted to RM5,049,985 for the Group.

The Group requires all of its operating entities to use forward currency contracts to mitigate the currency exposures on any firm commitment for a sale or purchase.

During the year ended 30 April 2015, the Group hedged 14% of its foreign currencies denominated sales.

SENSITIVITY ANALYSIS FOR FOREIGN CURRENCY RISK

The following table demonstrates the sensitivity of the Group's and Company's profit net of tax to a reasonably possible change in the various exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

		Group 2015 Profit net of tax RM	Company 2015 Profit net of tax RM
USD/MYR	- strengthened 5%	**(2,350,857)**	**–**
	- weakened 5%	**2,350,857**	**–**
SGD/MYR	- strengthened 5%	**(11,107)**	**20,429**
	- weakened 5%	**11,107**	**(20,429)**
THB/MYR	- strengthened 5%	**563,545**	**–**
	- weakened 5%	**(563,545)**	**–**
EUR/MYR	- strengthened 5%	**(121,996)**	**–**
	- weakened 5%	**121,996**	**–**
JPY/MYR	- strengthened 5%	**(11,123)**	**–**
	- weakened 5%	**11,123**	**–**

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

(D) FOREIGN CURRENCY RISK (CONT'D.)

SENSITIVITY ANALYSIS FOR FOREIGN CURRENCY RISK (CONT'D.)

		Group 2014 Profit net of tax RM	Company 2014 Profit net of tax RM
USD/MYR	- strengthened 5%	(1,963,348)	–
	- weakened 5%	1,963,348	–
SGD/MYR	- strengthened 5%	(19,675)	20,916
	- weakened 5%	19,675	(20,916)
THB/MYR	- strengthened 5%	391,872	–
	- weakened 5%	(391,872)	–
EUR/MYR	- strengthened 5%	(164,094)	–
	- weakened 5%	164,094	–
JPY/MYR	- strengthened 5%	(10,834)	–
	- weakened 5%	10,834	–

33. CAPITAL MANAGEMENT

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

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 30 April 2015 and 30 April 2014.

The Group monitors capital using net gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the Group's net gearing ratio at a level deemed appropriate considering business, economic and investment conditions.

	Group	
	30.4.2015 RM	30.4.2014 RM
Loans and borrowings (Note 22)	191,084,037	133,910,217
Less: Cash and bank balances (Note 21)	(37,350,403)	(44,441,731)
Net debt	153,733,634	89,468,486
Equity attributable to owners of the parent, representing capital	360,325,400	340,416,674
Capital and net debt	514,059,034	429,885,160
Net gearing ratio	30%	21%

34. SEGMENTAL INFORMATION

(A) PRODUCT SEGMENTS:

The operations of the Group mainly consist of two main products, which are:

i. Tissue products such as toilet rolls, tissues and serviettes.

ii. Personal care products such as sanitary products, baby and adult diapers and cotton products.

2015	Tissue RM	Personal care RM	Amalgamation RM	Consolidated RM
Revenue				
Revenue from external customers	384,352,099	163,161,799	547,513,898	547,513,898
Results				
Segment results	54,874,311	10,091,542	64,965,853	64,965,853
Interest income	359,523	19,064	378,587	378,587
Operating profit				65,344,440
Finance costs				(6,025,969)
Profit before tax				59,318,471
Income tax expense				(16,676,921)
Profit net of tax				42,641,550
30.4.2015				
Assets and liabilities				
Segment assets	528,092,680	127,544,451	655,637,131	655,637,131
Unallocated assets:				
Deferred tax assets				359,647
Tax assets				2,618,828
Consolidated total assets				658,615,606
Segment liabilities	62,863,163	22,397,698	85,260,861	85,260,861
Unallocated liabilities:				
Loans and borrowings				191,084,037
Tax liabilities				3,203,930
Deferred tax liabilities				18,741,378
Consolidated total liabilities				298,290,206
2015				
Additions to non-current assets	71,864,390	21,215,062	93,079,452	93,079,452
Depreciation	22,448,852	5,691,307	28,140,159	28,140,159
Amortisation of prepaid land lease payments	479,601	11,805	491,406	491,406
Non-cash expenses other than depreciation and impairment losses	1,314,910	(72,223)	1,242,687	1,242,687

34. SEGMENTAL INFORMATION (CONT'D.)

(A) PRODUCT SEGMENTS: (CONT'D.)

2014	Tissue RM	Personal care RM	Amalgamation RM	Consolidated RM
Revenue				
Revenue from external customers	380,572,053	160,824,226	541,396,279	541,396,279
Results				
Segment results	58,575,008	14,777,187	73,352,195	73,352,195
Interest income	346,048	13,236	359,284	359,284
Operating profit				73,711,479
Finance costs				(3,831,092)
Profit before tax				69,880,387
Income tax expense				(15,989,117)
Profit net of tax				53,891,270
30.4.2014				
Assets and liabilities				
Segment assets	476,031,924	102,548,190	578,580,114	578,580,114
Unallocated assets:				
Deferred tax assets				413,406
Tax assets				2,299,166
Consolidated total assets				581,292,686
Segment liabilities				
Unallocated liabilities:	64,527,668	21,586,793	86,114,461	86,114,461
Loans and borrowings				133,910,217
Tax liabilities				2,113,649
Deferred tax liabilities				18,737,685
Consolidated total liabilities				240,876,012
2014				
Additions to non-current assets	45,213,152	12,372,511	57,585,663	57,585,663
Additions to land use rights	15,243	–	15,243	15,243
Depreciation	21,555,048	4,179,810	25,734,858	25,734,858
Amortisation of prepaid land lease payments	465,819	11,805	477,624	477,624
Non-cash expenses other than depreciation and impairment losses	(90,191)	207,682	117,491	117,491

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34. SEGMENTAL INFORMATION (CONT'D.)

(B) GEOGRAPHICAL SEGMENTS:

The Group's operations are mainly located in Malaysia, except those of the subsidiaries in Singapore,Thailand and Vietnam. The customers for the manufacturing businesses are located worldwide, namely in Singapore and other countries such as Hong Kong, Brunei, the Philippines, South Africa, Australia, New Zealand and United States of America.

	Total revenue from external customers		Segment assets		Additionsto non-current assets		Additions to land use rights	
	2015	2014	30.4.2015	30.4.2014	2015	2014	2015	2014
	RM	RM	RM	RM	RM	RM	RM	RM
Malaysia	**418,207,012**	409,692,845	**551,668,492**	496,305,610	**61,432,828**	42,388,439	**–**	–
Singapore	**67,621,199**	69,084,061	**17,507,138**	20,281,055	**12,101**	318,157	**–**	–
Others *	**61,685,687**	62,619,373	**86,461,501**	61,993,449	**31,634,523**	14,879,067	**–**	15,243
Consolidated	**547,513,898**	541,396,279	**655,637,131**	578,580,114	**93,079,452**	57,585,663	**–**	15,243

* Others mainly refer to countries such as Thailand, Vietnam, Hong Kong, Brunei, the Philippines, South Africa, Australia, New Zealand and the United States of America.

35. COMPARATIVES

The comparative figures for the financial year ended 30 April 2014 have been reclassified principally due to the following:

A. Current loans and borrowings decreased by RM14,017,322 due to reclassification to non-current loans and borrowings as the loans were not due to be settled within 12 months after the reporting period. Non-current loans and borrowings increased correspondingly with the reclassification.

		Group		
	Note	As previously stated	Adjustments	As reclassified
		RM	RM	RM
Statement of financial position				
Current liabilities				
Loans and borrowings	A	122,623,233	(14,017,322)	108,605,911
Non-current liabilities				
Loans and borrowings	A	11,286,984	14,017,322	25,304,306

36. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 30 April 2015 were authorised for issue in accordance with a resolution of the directors on 11 August 2015.

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37. SUPPLEMENTARY INFORMATION – BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

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

The retained profits as at reporting date may be analysed as follows:

	Group 30.4.2015 RM	Company 30.4.2015 RM
Total retained profits of the Company and its subsidiaries		
- Realised	**188,702,130**	**10,110,921**
- Unrealised	**(10,728,642)**	**98,102**
Add: Consolidation adjustments	**24,693,003**	**–**
	202,666,491	**10,209,023**

	Group 30.4.2014 RM	Company 30.4.2014 RM
Total retained profits of the Company and its subsidiaries		
- Realised	171,165,383	23,727,835
- Unrealised	(11,261,283)	30,080
Add: Consolidation adjustments	24,549,863	–
	184,453,963	23,757,915

LIST OF PROPERTIES

	Location/Address	Description of property/ Existing use	Land/ Built-up Area (Sq. m.)	Approximate Age of Building (Year)	Tenure	Registered Owner	Date of Valuation	NBV 30.4.15 RM
1.	Lot 109, Lot 609, Lot 808, Lot 811, Lot 1126, Lot 1127, Lot 1129, Lot 1131, Lot 1132, Lot 1133, Lot 1136, Lot 1139, Lot 810, Lot 958, Lot 959, Lot 1140, Lot 1143 Mukim 8, Seberang Perai Selatan, Penang.	All the Lots are utilised as paper mill and paper related manufacturing factory with exception of Lot 1127, Lot 1132, Lot 1140, Lot 958, Lot 959, Lot 1143 & Lot 810 which are currently vacant. The entire factory is located at No. 886, Jalan Bandar Baru, Sungai Kecil, 14300 Nibong Tebal.	258,006/ 98,762	Between 1 to 36	Freehold industrial land	NTPM	30.4.2012	78,998,479
2.	Lot 642, Grant No. 2263, Mukim 8, Seberang Perai Selatan, Penang.	A parcel of agricultural land.	52,100	–	Freehold agricultural land	NTPM	30.4.2012	1,290,000
3.	Lot 5787, Pajakan Negeri No 41687, Mukim of Parit Buntar, District of Krian, Perak.	A factory complex with a gross built-up area of 3,100 sq.m located at P.t. No 139, Kawasan Perusahaan Parit Buntar, which presently is utilised as wet wipe manufacturing plant.	4,165/ 3,120	Between 4 to 19	Leasehold industrial land for a term of 60 years expiring on 22.10.2047	NTPM	30.4.2012	1,597,535
4.	Lot 6292, Lot 6293, Lot 6294 & Lot 6295 Mukim 7, and Lot 794, G.M. 277, Mukim 8, Seberang Perai Selatan, Penang.	Lot 6293 & Lot 6295 - vehicle workshop building. Lot 794 - pump house. Lot 6292 & Lot 6294 are utilised as sanitary napkin and cotton products manufacturing plant.	73,059/ 15,615	Between 1 to 13	Freehold industrial land except for Lot 794 which is a freehold agricultural land	NTPM	30.4.2012	21,806,802
5.	H.S.(D) 224308 PTD No. 41665 Senai-Kulai, Johor Bahru, Johor.	An office and warehouse complex.	4,390/ 1,593	12	Freehold land	NTPM	30.4.2012	1,700,200
6.	No. 5, Jalan Tiang U8/93, Bukit Jelutong Industrial Park, Shah Alam, Selangor.	An office and warehouse complex.	10,000/ 5,950	Between 5 to 10	Freehold industrial land	NTPM	30.4.2012	15,519,300
7.	Lot No 784, G.M. 267, Lot No 786, G.M. 269, Lot No 787, G.M. 270, Lot No 788, G.M. 271, Lot No 789, G.M. 273, Lot No 790, G.M. 274, Lot No 799, G.M. 279, Lot No 800, G.M. 280, Lot No 960, G.M. 504, Lot No 812, G.M. 287, Mukim 8, Seberang Perai Selatan, Penang.	Vacant agriculture land except for the following : Lot 784, Lot 786, Lot 787, Lot 788 & Lot 960 which are utilised as open storage yard for waste paper and material feed for boiler.	116,529/ 9,365	1	Freehold land	NTPM	30.4.2012	5,199,263

	Location/Address	Description of property/ Existing use	Land/ Built-up Area (Sq. m.)	Approximate Age of Building (Year)	Tenure	Registered Owner	Date of Valuation	NBV 30.4.15 RM
8.	Lot 1138 Mukim 8, Seberang Perai Selatan, Penang.	Vacant freehold land.	2,344		Freehold land	NTPM	31.1.2015*	130,334
9.	Lot 7278, Pajakan Negeri, Mukim Parit Buntar, Daerah Kerian, Perak.	A personal care manufacturing factory, office & warehouse factory located at P.t. No. 3688, Jln Perusahaan 3, Kawasan Perindustrian Parit Buntar, 34200 Parit Buntar.	16,192/ 12,417	Between 6 to 7	Leasehold industrial land for a term of 60 years expiring on 1.6. 2050	NTPC	30.4.2012	5,579,243
10.	Lot 192, G.M. 423, Mukim Senai, Kulaijaya, Johor.	Vacant industrial land.	21,094	–	Freehold land	NTPM	30.4.2012	4,000,000
11.	Lot 8389, Pajakan Negeri No. Hakmilik 49664, Lot 8390, Pajakan Negeri No. Hakmilik 49659, Lot 8391, Pajakan Negeri No. Hakmilik 49656, Mukim Krubong, Daerah Melaka Tengah, Melaka.	An office and warehouse complex.	6,354/ 3,810	4	Leasehold industrial land for a term of 99 years expiring on 24.11.2107	NTPM	30.4.2012	4,906,029
12.	H.S. (D) No. 10962, PT 11712, H.S. (D) No. 10963, PT 11713, H.S. (D) No. 4026, PT 4497, H.S. (D) No. 4041, PT 4512, Mukim and District of Bentong, Pahang.	Paper Mill and tissue manufacturing factory. The factory is located at Lot 65, Kawasan Perindustrian Bentong, 28700, Bentong, Pahang.	42,950/ 8,000	Between 3 to 4	Leasehold industrial land for a term of 66 years expiring in 8.4.2059 & 22.3.2053	NTPM (Bentong)	30.4.2012	7,937,266
13.	Lot 3A, Industrial Zone 7 (IZ 7) CL015582153, Kota Kinabalu Industrial Park (KKIP), Kota Kinabalu, Sabah.	Tissue converting plant and warehouse.	19,870/ 7,333	1	Freehold land	NTPM	9.4.2010*	14,832,088
14.	Lot 148,149,150,160,161 &162 VSIP IIA, Tan Uyen Town Binh Duong Province, Vietnam.	Paper Mill manufacturing factory and warehouse.	100,000/ 8,039	1	Leasehold industrial land for a term of 45 years expiring in 19.3.2058	NVCL	23.11.2012*	22,412,834
15.	HS(D) 18622 PT 6543, Mukim Sungai Karang, District of Kuantan, State of Pahang.	Vacant industrial land.	11,768	–	Freehold land	NTPM	30.4.2015*	2,280,477
								188,189,850

Note: * date of acquisition

ANALYSIS OF SHAREHOLDINGS
AS AT 24 JULY 2015

SHARE CAPITAL

Authorised Capital	:	RM250,000,000.00
Issued and Fully Paid-Up Capital	:	RM112,320,000.00 consists of 1,123,200,000 ordinary shares of RM0.10 each
Class of Equity Securities	:	Ordinary shares of RM0.10 each ("Shares")
Voting Rights	:	One vote per Share

DISTRIBUTION SCHEDULE OF SHAREHOLDERS

No. of Holders	Holdings	Total Shareholdings	%#
40	Less than 100	1,435	*
297	100 - 1,000	205,568	0.02
2,006	1,001 - 10,000	11,231,801	1.00
1,227	10,001 to 100,000	40,678,219	3.62
301	100,001 to less than 5% of issued shares	562,829,853	50.11
3	5% and above of issued shares	508,213,124	45.25
3,874		1,123,160,000	100.00

Based on the issued and paid up capital of the Company of RM112,320,000 comprising 1,123,200,000 Shares, excluding 40,000 treasury shares retained by the Company .

* Negligible

30 LARGEST SECURITIES ACCOUNT HOLDERS
(without aggregating the securities from different securities accounts belonging to the same person)

No.	Name	No. of Shares held	%#
1	LEE SEE JIN	323,614,649	28.81
2	LEE CHONG CHOON	126,711,197	11.28
3	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD *(TEOH TEIK LIN)*	57,887,278	5.15
4	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD *(KOTA BERAS SDN BHD)*	43,471,922	3.87
5	B. T. TEOH HOLDINGS SDN. BHD.	38,000,012	3.38
6	HSBC NOMINEES (ASING) SDN BHD *(HSBC-FS I FOR APOLLO ASIA FUND LTD)*	21,399,300	1.91
7	HSBC NOMINEES (ASING) SDN BHD *(EXEMPT AN FOR CREDIT SUISSE)*	20,400,014	1.82
8	KUMPULAN WANG PERSARAAN	18,744,900	1.67
9	UOBM NOMINEES (TEMPATAN) SDN BHD *(PLEDGED SECURITIES ACCOUNT FOR TEOH BOON BENG @ TEOH ENG KUAN)*	18,737,100	1.67
10	WU, KUN-CHIN	16,187,600	1.44
11	HSBC NOMINEES (ASING) SDN BHD *(EXEMPT AN FOR MORGAN STANLEY & CO INTERNATIONAL PLC (IPB CLIENT ACCT)*	15,522,700	1.38
12	NG INN BEO	13,449,421	1.20
13	TEOH PENG HEONG & SONS SDN. BHD.	12,940,000	1.15
14	HSBC NOMINEES (ASING) SDN BHD *(EXEMPT AN FOR NEW YORK MELLON (MELLON ACCT))*	12,588,500	1.12
15	GINNY TEOH CHOOI SEAN	11,710,000	1.04
16	TEOH BOON TEONG	10,710,000	0.95
17	TAN KIA MENG	10,457,639	0.93
18	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD *(TEOH BEE NEE)*	10,000,000	0.89
19	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD *(TEOH YEW NEE)*	10,000,000	0.89
20	TAN KIA CHUAN	10,000,000	0.89
21	TAN KIA SIEW	10,000,000	0.89
22	TEOH TEIK LIN	9,000,000	0.80
23	KOTA BERAS SDN BHD	8,900,000	0.79
24	TEOH HOOI NEE	8,740,000	0.78
25	MAYBANK NOMINEES (TEMPATAN) SDN BHD *(DBS BANK FOR TEOH TEIK TOE)*	8,213,400	0.73

30 LARGEST SECURITIES ACCOUNT HOLDERS (CONT'D.)

(without aggregating the securities from different securities accounts belonging to the same person)

No.	Name	No. of Shares held	%#
26	HENG KIM NAM SDN. BHD.	8,000,000	0.71
27	NG CHENG KEE	7,088,079	0.63
28	CARTABAN NOMINEES (TEMPATAN) SDN BHD RHB TRUSTEES BERHAD FOR MANULIFE INVESTMENT SHARIAH PROGRESS FUND	6,762,500	0.60
29	MAYBANK NOMINEES (TEMPATAN) SDN BHD *(MAYBANK TRUSTEES BERHAD FOR MANULIFE INVESTMENT -HW FLEXI FUND)*	6,189,400	0.55
30	OOI YAN HUA	6,129,945	0.55

SUBSTANTIAL SHAREHOLDERS

(excluding those who are bare trustee pursuant to Section 69 of the Companies Act, 1965)

	No. of Shares beneficially held				
Name of Substantial Shareholders	Direct	%#	Indirect	%#	Note
Lee See Jin	323,614,649	28.81	138,469,382	12.33	a
Lee Chong Choon	132,111,197	11.76	–	–	
Teoh Teik Lin	66,887,278	5.96	52,371,922	4.66	b
Dato' Teoh Boon Beng @ Teoh Eng Kuan	19,575,800	1.74	181,339,214	16.15	c

Notes :

a. Deemed interests through his spouse and children pursuant to Section 134 (12) of the Companies Act, 1965 ("the Act").

b. By virtue of his interest in Kota Beras Sendirian Berhad ("KBSB"), Teoh Teik Lin is deemed interested in the Shares of the Company to the extent that KBSB has an interest.

c. i) By virtue of his interest in KBSB and Teoh Peng Heong & Sons Sdn Bhd ("TPH"), Dato' Teoh Boon Beng @ Teoh Eng Kuan is deemed interested in the Shares of the Company to the extent that KBSB and TPH have an interest.
   ii) Deemed interests through his children pursuant to Section 134 (12) of the Act.

DIRECTORS' SHAREHOLDINGS (DIRECT & INDIRECT)

	No. of Shares beneficially held				
Name of Directors	Direct	%#	Indirect	%#	Note
Dato' Teoh Boon Beng @ Teoh Eng Kuan	19,575,800	1.74	181,339,214	16.15	a
Lee See Jin	323,614,649	28.81	138,469,382	12.33	b
Lee Chong Choon	132,111,197	11.76	–	–	
Dr. Teoh Teik Toe	8,213,400	0.73	–	–	
Lim Han Nge	–	–	–	–	
Teoh Teik Lin (Alternate Director to Dato' Teoh Boon Beng @ Teoh Eng Kuan)	66,887,278	5.96	52,371,922	4.66	c
Chang Kong Foo	100,000	–	280,000	0.02	d

Notes :

a. i) By virtue of his interest in KBSB and TPH, Dato' Teoh Boon Beng @ Teoh Eng Kuan is deemed interested in the Shares of the Company to the extent that KBSB and TPH have an interest.
   ii) Deemed interests through his children pursuant to Section 134 (12) of the Act.

b. Deemed interests through his spouse and children pursuant to Section 134 (12) of the Act.

c. By virtue of his interest in KBSB, Teoh Teik Lin is deemed interested in the Shares of the Company to the extent that KBSB has an interest.

d. Deemed interests through his spouse & children's pursuant to Section 134 (12) of the Act.

INTERESTS IN THE RELATED CORPORATION

Dato' Teoh Boon Beng @ Teoh Eng Kuan and Mr. Lee See Jin, by virtue of their interests in Shares in the Company, are deemed interested in Shares of all the Company's subsidiaries to the extent the Company has an interest.

Save as disclosed above, none of the other Directors in office at the end of the financial year had any interest in Shares in the Company or its related corporations.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Nineteenth (19th) Annual General Meeting of NTPM Holdings Berhad ("the Company") will be held at Bukit Jawi Golf Resort, 691, Main Road, Sungai Bakap, 14200 Seberang Perai Selatan, Pulau Pinang on Friday, 11 September 2015 at 9.30 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS: -

1. To receive the Audited Financial Statements for the financial year ended 30 April 2015 together with the Reports of the Directors and Auditors thereon. *(Please refer to Note 1)*

2. To re-elect the following Directors who retire in accordance with Article 133 of the Company's Articles of Association and being eligible, are offering themselves for re-election:-

   (i) Dr. Teoh Teik Toe — Resolution 1
   (ii) Mr. Chang Kong Foo — Resolution 2

3. To consider and, if thought fit, to pass the following resolutions in accordance with Section 129(6) of the Companies Act, 1965 as Ordinary Resolutions:-

   (i) "**THAT** Dato' Teoh Boon Beng @ Teoh Eng Kuan, who is over the age of seventy years and retiring in accordance with Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company and to hold office until the conclusion of next Annual General Meeting of the Company." — Resolution 3

   (ii) "**THAT** Mr. Lee See Jin, who is over the age of seventy years and retiring in accordance with Section 129(6) of the Companies Act, 1965, be and is hereby re-appointed as Director of the Company and to hold office until the conclusion of next Annual General Meeting of the Company." — Resolution 4

4. To approve the payment of Directors' fees of RM360,000 for the financial year ended 30 April 2015. — Resolution 5

5. To re-appoint Messrs. Ernst & Young as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. — Resolution 6

AS SPECIAL BUSINESS: -

6. To consider and, if thought fit, to pass the following Ordinary Resolutions, with or without modification:-

   6.1 Ordinary Resolution:-
   Proposed renewal of share buy-back authority for the Company to purchase its own ordinary shares of up to 10% of its issued and paid-up ordinary share capital ("Proposed Renewal of Share Buy-Back Mandate")

   "**THAT**, subject to the Companies Act, 1965 ("the Act"), the provisions of the Company's Memorandum and Articles of Association, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations, the Directors of the Company be and are hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares of RM0.10 each in the Company ("Shares") from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

   (a) the aggregate number of Shares which may be purchased or held by the Company shall not exceed ten per centum (10%) of the total issued and paid-up ordinary share capital for the time being of the Company, subject to a restriction that the Company continues to maintain a shareholding spread that is in compliance with the Main Market Listing Requirements of Bursa Securities after the Share Buy-Back;

   (b) the maximum fund to be allocated by the Company for the purpose of purchasing the Shares under the Proposed Renewal of Share Buy-Back Mandate shall not exceed the aggregate of the retained profits and share premium account of the Company based on the latest audited financial statement and/or the latest management accounts of the Company (where applicable) available at the time of the purchase(s);

AS SPECIAL BUSINESS: - (Cont'd.)

(c) authority conferred by this resolution shall commence immediately upon passing of this ordinary resolution and shall continue to be in force until:-

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the forthcoming AGM, at which time the authority will lapse unless renewed by ordinary resolution, either unconditionally or conditionally; or

(ii) the expiration of the period within which the next AGM after the date is required by law to be held; or

(iii) revoked or varied by ordinary resolution passed by the shareholders in a general meeting,

whichever occurs first; but not so as to prejudice the completion of purchase(s) by the Company of the Shares before the aforesaid expiry date and, made in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities; and

(d) upon completion of the purchase(s) of the Shares by the Company, authority be and is hereby given to the Directors of the Company to decide at their absolute discretion to either to cancel the Shares so purchased and/or to retain the Shares so purchased as treasury shares and if retained as treasury shares, may resell the treasury shares and/or to distribute as share dividends to shareholders in the manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Listing Requirements of Bursa Securities and any other relevant authority for the time being in force;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to effect the Proposed Renewal of Share Buy-Back Mandate with full powers to assent to any conditions, modifications, resolutions, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company to give effect to and to complete the purchase of the Shares." Resolution 7

6.2 Ordinary Resolution:-
Mandate for Mr. Lim Han Nge who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company

"**THAT** approval be and is hereby given to Mr. Lim Han Nge, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company in compliance with the recommendation of Malaysian Code on Corporate Governance 2012." Resolution 8

By Order of the Board,

THUM SOOK FUN
(MIA 24701)
Company Secretary

Penang
Dated: 20 August 2015

Explanatory Notes to Special Business:

i) Resolution 7 - Proposed Renewal of Share Buy-Back Mandate

The proposed adoption of the Resolution No. 7 is to renew the authority granted by the shareholders of the Company at the Eighteenth ("18th") AGM of the Company held on 5 September 2014. The Proposed Renewal of Share Buy-Back Mandate, if passed, will empower the Directors to buy-back and/or hold up to a maximum of 10% of the Company's issued and paid-up share capital at any point of time, by utilising the funds allocated which shall not exceed the total retained profits and/or share premium account of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company, or the expiration of period within which the next AGM is required by law to be held, whichever is earlier.

For further information, please refer to the Share Buy-Back Statement dated 20 August 2015, which is dispatched together with the Company's Annual Report 2015.

ii) Resolution 8 - Mandate for Mr. Lim Han Nge who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company

Pursuant to the Board Charter of the and Company and in line with Malaysian Code on Corporate Governance 2012, both the Nominating Committee and the Board have assessed the independence of Mr. Lim Han Nge, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, and recommended him to continue to serve as an Independent Non-Executive Director of the Company based on the following justifications:-

(a) He continues to fulfill the definition of independence as set out in Malaysian Code on Corporate Governance 2012 and Main Market Listing Requirements of Bursa Securities;

(b) His existing tenure in office (despite of more than 9 years) does not impair his independence;

(c) He remains objective and independent in expressing his views and in participating in deliberation and decision making of the Board and Board Committee(s); and

(d) He continues to demonstrate conduct and behaviour that are essential indicators of independence.

Notes:

1. The first agenda of this meeting is meant for discussion only, as the provision of Section 169 (1) of the Companies Act, 1965 does not require a formal approval for the audited financial statements from the shareholders. Hence, this Agenda is not put forward for voting.

2. In respect of deposited securities, only members whose name appears on the Record of Depositors as at 4 September 2015 shall be entitled to attend, speak and vote at the Meeting.

3. A member entitled to attend and vote at the meeting is entitled to appoint two (2) or more proxies to attend and vote in his or her stead. Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

4. A proxy may but does not need to be a member of the Company and the provisions of Section 149(1)(a)(b)and(c) of the Companies Act, 1965 shall not apply to the Company. Notwithstanding this, a member entitled to attend and vote at the meeting is entitled to appoint any person as his proxy to attend and vote instead of the member at the meeting. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the meeting shall have the same rights as the member to speak at the meeting.

5. Where a member of the Company is an exempt authorised nominee as defined under Securities Industry (Central Depositories) Act 1991 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.

6. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarized certified copy of that power or authority, shall be deposited at the Registered Office of the Company at Suite 18.05, MWE Plaza, No. 8, Lebuh Farquhar, 10200 Penang not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof.

As at date of this notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election or re-appointment) at this forthcoming 19th Annual General Meeting.

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PROXY FORM

NTPM HOLDINGS BERHAD (384662-U)

No. of shares held	

*I/We ____ NRIC/ Passport No. ______________________
(Full Name in Capital Letters)

of ____
(Full address in capital letters and telephone number)

being a member/members of **NTPM HOLDINGS BERHAD** ("the Company") hereby appoint ____________________________

____ NRIC/ Passport No. ______________________
(Name of proxy as per NRIC/Passport, in capital letters)

of ____ ,
(Full address in capital letters)

or failing him/her, ________________________________NRIC/ Passport No. ______________________
(Full Name in Capital Letters)

of ____
(Full address in capital letters)

or failing him/her, the Chairman of the meeting, as *my/our proxy to vote in *my/our name(s) on *my/our behalf at the Nineteenth ("19th") Annual General Meeting of the Company to be held at Bukit Jawi Golf Resort, 691, Main Road, Sungai Bakap, 14200 Seberang Perai Selatan, Pulau Pinang on Friday, 11 September 2015 at 9.30 a.m. and at any adjournment thereof.

Please indicate with an 'X' in the space provided below how you wish your vote to be casted. In the absence of specific directions, your proxy will vote or abstain from voting at his/her discretion.

AGENDA			
To receive the Audited Financial Statements for the financial year ended 30 April 2015 together with the Reports of the Directors and Auditors thereon.			
RESOLUTIONS		**For**	**Against**
1.	To re-elect Dr. Teoh Teik Toe as Director of the Company.		
2.	To re-appoint Mr. Chang Kong Foo as Director of the Company.		
3.	To re-appoint Dato' Teoh Boon Beng @ Teoh Eng Kuan as Director of the Company.		
4.	To re-appoint Mr. Lee See Jin as Director of the Company.		
5.	To approve the payment of Directors' fees of RM360,000 for the financial year ended 30 April 2015.		
6.	To re-appoint Messrs. Ernst & Young as Auditors for the ensuing year and to authorise the Directors to fix their remuneration.		
7.	Ordinary Resolution - Proposed Renewal of Share Buy-Back Mandate.		
8.	Ordinary Resolution - Mandate for Mr. Lim Han Nge to continue to act as an Independent Non-Executive Director of the Company.		

* strike out whichever not applicable.

Signed this _______ day of ______________________, 2015.

____
Signature / Common Seal of Shareholder

Notes:

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7. Any alteration should be initialed.

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Stamp

Company Secretary
NTPM Holdings Berhad (384662-U)
Suite 18.05, MWE Plaza
No. 8, Lebuh Farquhar
10200 Penang, Malaysia

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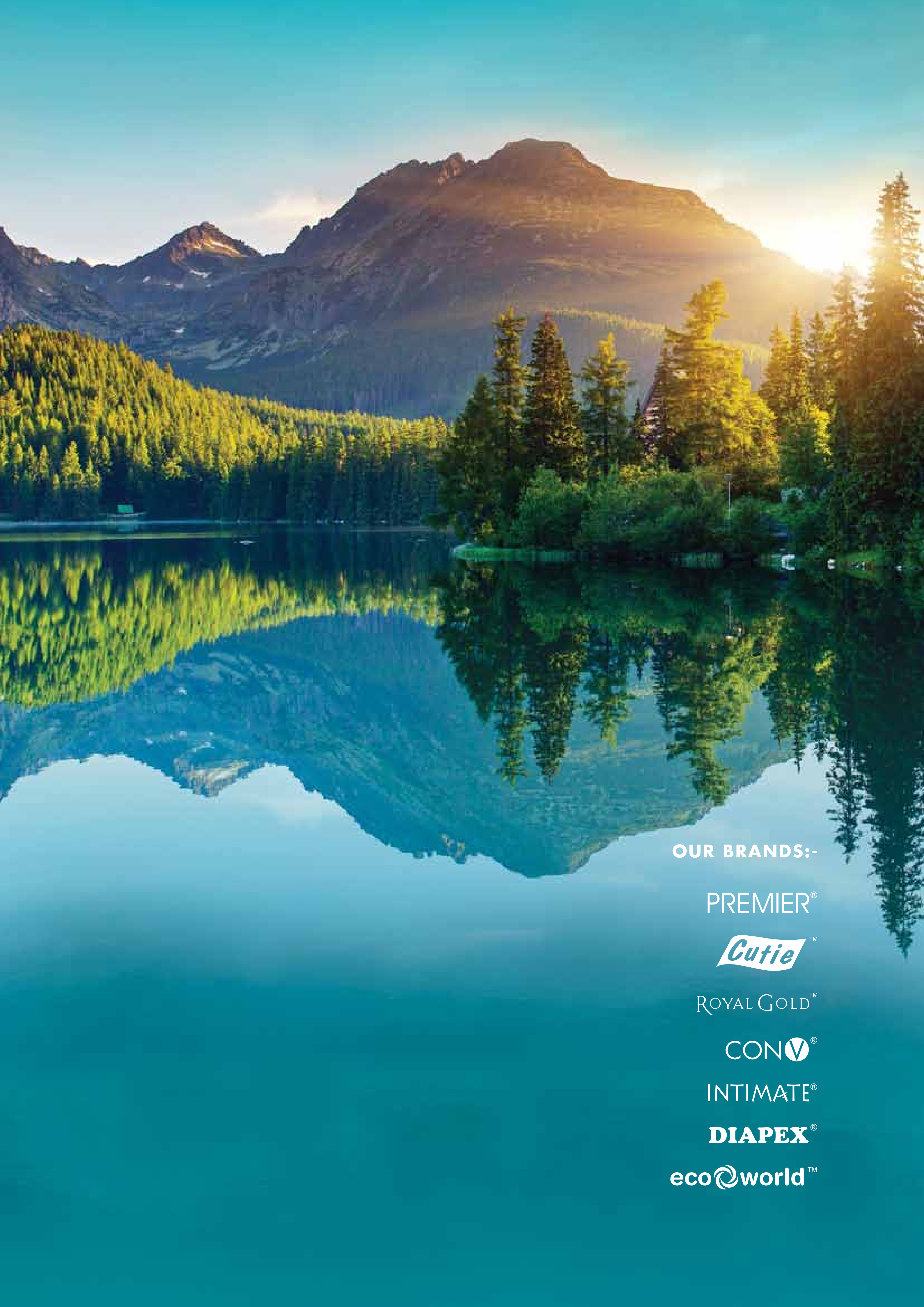
OUR BRANDS:-
PREMIER®
Cutie™
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NTPM HOLDINGS BERHAD (384662-U)

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