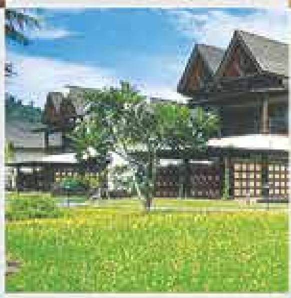
PETALING TIN BERHAD 324-H

ANNUAL
REPORT



2017

Contents

Corporate Information

BOARD OF DIRECTORS

Datuk Haji Jaafar Bin Abu Bakar
Chairman, Independent Non-Executive Director

Chen Yiy Fon
Chief Executive Officer

Datuk Wan Kassim Bin Ahmed
Independent Non-Executive Director

Dato' Nik Kamaruddin Bin Ismail
Non-Independent Non-Executive Director

Lim Mun Kee
Independent Non-Executive Director

AUDIT COMMITTEE

Datuk Haji Jaafar Bin Abu Bakar (Chairman)

Datuk Wan Kassim Bin Ahmed

Lim Mun Kee

NOMINATION COMMITTEE

Datuk Haji Jaafar Bin Abu Bakar (Chairman)

Datuk Wan Kassim Bin Ahmed

REMUNERATION COMMITTEE

Datuk Haji Jaafar Bin Abu Bakar (Chairman)

Datuk Wan Kassim Bin Ahmed

Lim Mun Kee

COMPANY SECRETARY

Yew Nyuk Kwei, MACS 01247

AUDITORS

Messrs. UHY
Chartered Accountants

REGISTERED OFFICE

1st Floor, No. 118, Jalan Semangat
46300 Petaling Jaya, Selangor Darul Ehsan
Telephone : 603 7968 1222
Facsimile : 603 7954 1155

PRINCIPAL PLACE OF BUSINESS

1st Floor, No. 118, Jalan Semangat
46300 Petaling Jaya, Selangor Darul Ehsan
Telephone : 603 7968 1222
Facsimile : 603 7954 1155

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Code : 2208
Stock Name : PTGTIN

SHARE REGISTRAR

Semangat Corporate Resources Sdn Bhd
Ground Floor, No. 118, Jalan Semangat
46300 Petaling Jaya, Selangor Darul Ehsan
Telephone : 603 7968 1001
Facsimile : 603 7958 8013

SOLICITORS

Messrs. Tan, Chua & Lawrence
Messrs. Izral Partnership

PRINCIPAL BANKER

Malayan Banking Berhad

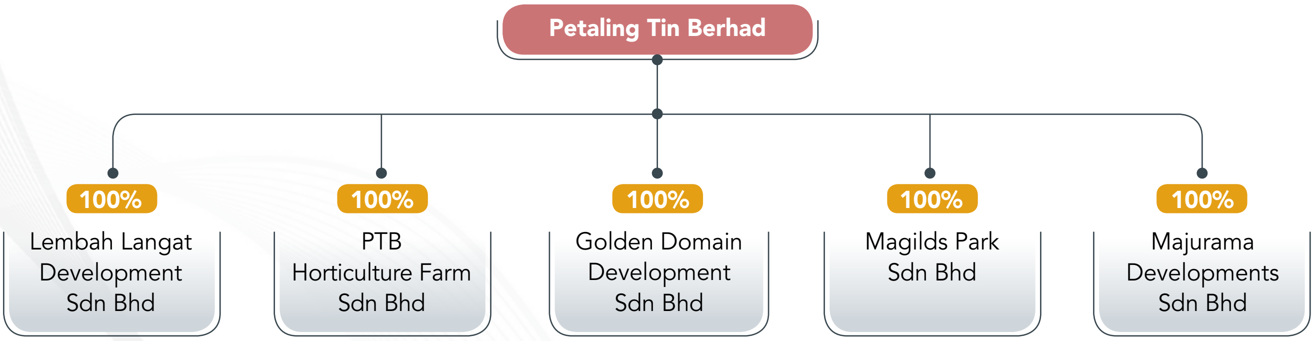
Management's Discussion and Analysis

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

Petaling Tin Berhad ("PTB" or the "Company" and together with its subsidiaries, "PTB Group") was incorporated in Malaysia on 26 October 1920 under the Companies Ordinances, 1940-1946, under the name of Petaling Tin Limited. The name was changed to its present name on 15 April 1966. PTB was subsequently listed on the Main Board of Kuala Lumpur Stock Exchange (now known as the Main Market of Bursa Malaysia Securities Berhad) on 28 December 1973.

PTB Group is principally engaged in the business of property development, property investment and investment holding.

Group structure of PTB Group (principal operating units)



The Group's property development land banks are located at Taman Desa Bukit Indah Sungai Buloh Selangor, Taman Kelab Ukay Ampang Selangor, Pusat Bandar Senawang Negeri Sembilan and Kota Kinabalu Sabah.

FINANCIAL RESULTS AND FINANCIAL CONDITION REVIEW

REVIEW OF FINANCIAL RESULTS

The Group recorded a loss after tax of RM7.10 million on the back of RM21.52 million revenue for the financial year ended 31 March 2017. The current year financial result were weighed down by a non-recurring land premium expense of RM10.92 million and impairment of receivables of RM5.01 million, mitigated by a gain on fair value adjustment of RM5.79 million on its investment properties and reversal of provision for tax penalties of RM1.35 million. In the previous financial period ended 31 March 2016, the Group reported a profit after tax of RM8.08 million on the back of RM28.80 million revenue.

REVIEW OF FINANCIAL CONDITION

Liquidity and Capital Resources

The Group has RM361.69 million (2016: RM368.78 million) in shareholders' fund as at 31 March 2017, and as at that date, the net assets per share was RM1.05 (2016: RM1.07). Cash and bank balances, including fixed deposits, stood at RM29.73 million of which RM632,000 was restricted for certain usage under Housing Development Account. However, a substantial portion of the readily available for use bank balance, amounting to RM10.92 million, was utilised subsequent to the financial year end to pay off land premium for one of its development projects.

Non - current Assets

Non-current assets as at the financial year end stood at RM391.70 million, approximately RM5.76 million higher than that of last year, attributable largely to the fair value gain on its investment properties.

Current Assets

The Group has RM35.59 million in current assets as at the financial year end, approximately RM8.43 million lower than that of last year, due largely to payments from its debtors.

Current Liabilities

The Group's current liabilities as at 31 March 2017 has reduced slightly to RM33.69 million from RM36.36 million a year ago, primarily driven by the payment of taxation, offset by the accrual of RM10.92 million land premium expense which was subsequently paid after the financial year end.

BUSINESS AND OPERATIONAL REVIEW

A series of property cooling measures introduced a few years ago have weighed on the property market sentiments. Coupled with credit tightening measures by financial institutions, we saw the property market demand slowed down and property related activities have muted substantially with huge overhang of unsold units. PTB Group property development was negatively affected by the market glut. Revenue for the financial year ended 31 March 2017 was derived mainly from the sale of development land in Ulu Yam Selangor and rental revenue from its investment properties.

The Group still has a few remaining pockets of land in matured neighbourhoods in Sungai Buloh, Taman Kelab Ukay Ampang and Senawang that can be launched when the market conditions improve. The Group is adjusting and responding to the market conditions, and re-aligning ourselves to the market demand so as to roll out the right products with the right pricing strategy.

CORPORATE AFFAIRS

Dividend

No dividend was paid during the financial year and the Board of Directors does not recommend any dividend payment for the current financial year under review.

Management's Discussion and Analysis

CORPORATE AFFAIRS (CONT'D)

Public Shareholding Spread

Following the unconditional mandatory take-over offer by Tan Sri Dr Chen Lip Keong (the "Offeror") as announced on 28 April 2016 and closed on 9 June 2016, the Offeror holds 82.98% of the total issued and fully paid up share capital (excluding treasury shares) of the Company as at the close of the offer on 9 June 2016. Consequently, the Company does not comply with the public shareholding spread requirements as set out in paragraph 8.02 (1) of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") which stipulates a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders.

Currently, the percentage of the public shareholding spread of the Company is at 17.02%, and the Company has yet to identify any satisfactory plan to address the non-compliance with the required public shareholding spread. As announced by the Company on 21 June 2017, Bursa Securities has vide their letter dated 20 June 2017 granted the Company an extension of time of three months until 7 September 2017 to comply with the public shareholding spread requirements

MOVING FORWARD

Moving forward, the Group will continue to focus on its core business in property development and property investments.

We expect the Malaysian property market would endure another challenging year in 2017/2018. The property market activities shall remain slow amidst the credit tightening measures by financial institutions, overhang of unsold units, and the ongoing adjustments to the escalating cost of living, uncertain employment market and economic outlook.

Amidst the soft property market, the Group's property development outlook remains challenging in the near term. Depending on the market conditions and timing to secure all the necessary approvals from the relevant authorities, the Group shall embark to launch carefully planned developments targeting at the well-defined market segments of the respective locations of its land banks.

The future financial performance of PTB Group is dependent upon, among others, the outlook of the Malaysian economy and the recovery of the Malaysian property market as well as PTB Group's ability to compete with its competitors in launching, selling and completing its development projects.

Thank You

CHEN YIY FON
Chief Executive Officer

Sustainability Statement

This sustainability statement reflects Petaling Tin Berhad group of companies' ("PTB Group") management of material economic, environmental and social risks and opportunities, as guided by the sustainability reporting framework of Bursa Malaysia Securities Berhad.

PTB Group is committed to carrying out its business in a socially responsible and sustainable manner. We endeavor to strike a balance between good economic performance to create values for our shareholders and the Group's responsibility towards environment and social obligations. We are committed to ensure the concept of business sustainability becomes an integral part of our organisational culture.

ECONOMIC

PTB Group strives to maintain a sustainable business to continue its contribution to Malaysia's economic development. Through our businesses, we created employment opportunities for Malaysian and contributed various taxes to the Malaysian Government.

On property development, we built numerous residential and commercial developments for the well-beings of local community. Going forward, PTB Group will continue to focus on its core business in property development. We aim to create the best value for our business through delivery of quality products and services at the most competitive pricing.

ENVIRONMENTAL

PTB Group is committed to improving the environmental performance on all its business operations. Environmental element is an important aspect in all our property development activities from concept, design to implementation.

We place great emphasis on preserving the natural beauty of environment in the course of carrying out our business activities. The Group has always adopted an environmentally friendly approach towards its business operations. This includes policies implemented across the Group with objectives to minimise wastage, maximise energy-conservation, efficient and safe waste management in the proper disposal of waste materials, recycling of used materials and adopting environmentally friendly best-practices whenever possible to lessen water and air pollutions, global warming and climate change. In property development activities, the Group strives to adopt environmentally friendly technologies to protect and preserve the natural environment. We explore the use of green and clean technologies and sustainable building materials in all our property development projects and master plan our development by finding the appropriate path to showcase both nature and development in a complementary and synergistic manner.

Sustainability Statement

SOCIAL

As part of our corporate values and social responsibility, PTB Group strives to improve the lives of all those it comes to contact with in the course of carrying out its businesses.

Community and Society

On community and society obligations, the Group participates in philanthropic activities including organising activities for the less-fortunate, blood donation drives, contribution towards charity homes, sponsorship for local and international events, cleaning up of public areas surrounding our development sites and prioritise local for job opportunities.

Employees and Workplace

On PTB Group's employees and workplace, the Group recognises the importance of its employees as they play a pivotal role in bringing the Group to greater heights and sustainable growth. Key initiatives to further strengthen the organisation include providing a safe and conducive working environment, employees' engagement in social gatherings, nurturing and retaining talented employees, job enrichment and succession planning, training and development, and recognises employees' rights, ethnicity and gender diversity.

Product Responsibility

PTB Group endeavors to ensure the concept of sustainability in living is incorporated in all its master planning of property development projects. We are committed to continually improving our management and operation systems to deliver quality products and services that delight our customers.

Profile of the Board of Directors and Key Senior Management

DATUK HAJI JAAFAR BIN ABU BAKAR
Chairman, Independent Non-Executive Director

- Aged 70, Male, Malaysian
- Appointed to the Board on 1 August 1997 and as Chairman of the Board on 26 September 2008
- Chairman of the Audit, Nomination and Remuneration Committees
- Graduated with a Bachelor of Arts (Honours) from University of Malaya in 1969; obtained a Masters in Public Policy and Administration from University of Wisconsin, Madison, U.S.A. in 1980 and was a Fellow member of the Economic Development Institute of the World Bank, Washington D.C.
- Started his career as a Land Administrator in FELDA before joining the Malaysian civil service in 1970; has since served in various senior positions within the Government Departments which included State Development Officer in Penang, Pahang and Kelantan, Deputy General Manager of Central Terengganu Development Authority and South Kelantan Development Authority, Director of Kelantan Land Development Board, General Manager of Kelantan State Economic Development Corporation, Deputy Secretary General of the Ministry of Domestic Trade and Consumer Affairs and Council Member of Malaysian Industrial Development Authority; opted for early retirement from the civil service in 1991; joined Koperasi Usaha Bersatu as Group General Manager of KUB Holdings Berhad; subsequently took up a position as Executive Director of Damansara Realty Berhad and a year later, served as Managing Director; served as Executive Chairman of Cold Storage (Malaysia) Berhad from 1996 to 1998 and President / CEO of Uniphoenix Corp. Bhd until 2006
- Currently, he is also a board member of Encorp Berhad

CHEN YIY FON
Chief Executive Officer, Non-Independent Executive Director

- Aged 36, Male, Malaysian
- Appointed to the Board on 1 August 2007, and assumed the position of Chief Executive Officer on 16 December 2010
- Graduated with a Bachelor of Arts in Economics from University of Southern California, Los Angeles
- Previously worked in Morgan Stanley, Los Angeles, California and Credit Suisse First Boston, Singapore
- Lead and primarily responsible for the business operations of Petaling Tin Berhad group of companies
- Currently, he also serves as the Chief Executive Officer and Executive Director of Karambunai Corp Bhd and Executive Director of FACB Industries Incorporated Berhad

Profile of the Board of Directors and Key Senior Management

DATUK WAN KASSIM BIN AHMED
Independent Non-Executive Director

- Aged 67, Male, Malaysian
- Appointed to the Board on 2 July 2001
- A member of the Audit, Remuneration and Nomination Committees
- Graduated with a Bachelor of Economics (Honours) from University of Malaya in 1973
- Began his career with Messrs Kassim Chan, an audit firm in 1973 before joining Bank Bumiputra Malaysia Berhad. Joined Shamelin Berhad for 10 years before starting his own management consultancy firm, United Kadila Sdn Bhd in 1984. Served as a councillor for the Petaling Jaya Town Council between 1987 and 1991 and as a Board member of the Malaysian Tourist Development Board from 1992 to 1996
- Currently, he is also a board member of Karambunai Corp Berhad and FACB Industries Incorporated Berhad

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DATO' NIK KAMARUDDIN BIN ISMAIL
Non Independent Non-Executive Director

- Aged 64, Male, Malaysian
- Appointed to the Board on 1 December 2004
- Graduated with a Bachelor of Science (Finance)
- Worked for a period of 14 years (1973-1987) in 3M Corporation. He served as a director of 3M Corporation from 1983 to 1987, being the first Malaysian appointed to its Board. He was also a director of TV3 from 1987 to 1991, an Executive Director of Karambunai Corp Bhd from November 1994 to November 2004 and a Non-Executive Director of Tebrau Teguh Berhad from December 2002 to November 2004

LIM MUN KEE
Independent Non-Executive Director

- Aged 50, Male, Malaysian
- Appointed to the Board on 1 August 2007
- A member of the Audit and Remuneration Committees
- A member of the Malaysian Institute of Accountants (MIA) and the Malaysian Institute of Certified Public Accountants (MICPA)
- Started his career with KPMG Peat Marwick in 1989 and obtained his professional qualification in 1995. He has over 20 years of working experience in auditing, finance and accountancy field where he worked in several listed companies as Accountant, Financial Controller and Head of Internal Audit
- Currently, he is also a board member of FACB Industries Incorporated Berhad and Karambunai Corp Bhd

LIM KAM CHOY
Chief Financial Officer

- Aged 50, Male, Malaysian
- Appointed as Chief Financial Officer on 1 February 2017
- Holds a professional qualification in accounting (MICPA) and an MBA from University of South Australia
- A member of the Malaysian Institute of Accountants (MIA) and the Malaysian Institute of Certified Public Accountants (MICPA)
- He has over 25 years of working experience. The first 12 years were with two Big 4 auditing firms; PriceWaterhouse (now known as PricewaterhouseCoopers) and Ernst & Young, followed by another 16 years in public listed companies holding senior management positions

OTHER INFORMATION

1. Family Relationship

None of the Directors and Key Senior Management have any family relationship with any Director and/or major shareholder of the Company save for Mr Chen Yiy Fon who is the son of Tan Sri Dr Chen Lip Keong, a major shareholder of Petaling Tin Berhad.

2. Conflict of Interest

None of the Directors and Key Senior Management have any conflict of interest with the Group save for:

- Datuk Haji Jaafar Bin Abu Bakar by virtue of his interests in privately owned companies, of which some are also involved in property development. However, the said companies are not in direct competition with the business of Petaling Tin Berhad Group.
- Mr Chen Yiy Fon, by virtue of his position as Chief Executive Officer of both Karambunai Corp Bhd and Petaling Tin Berhad where some of their subsidiaries are also involved in property development.

3. Conviction of Offences

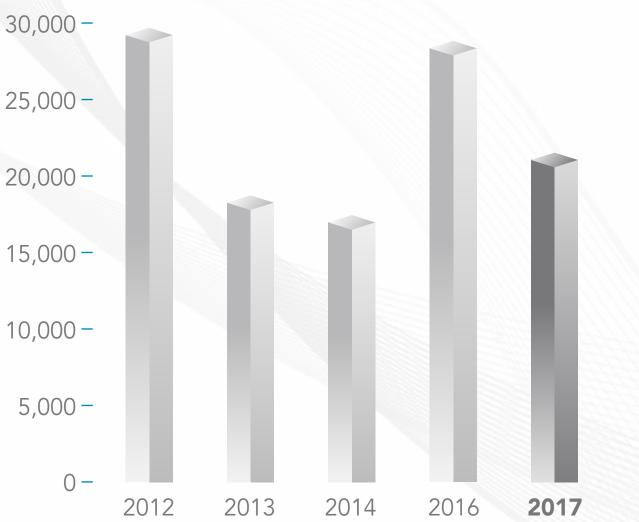
None of the Directors and Key Senior Management have been convicted of offences within the past five (5) years other than on traffic offences, if any, or have been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

Financial Summary

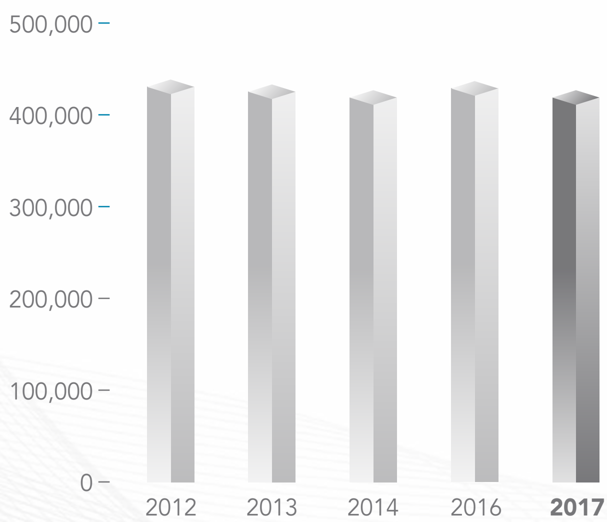
RM'000	2017	2016*	2014	2013	2012
Revenue	**21,524**	28,799	17,471	18,726	29,681
(Loss)/Profit Before Taxation	**(3,634)**	10,687	(6,237)	(7,485)	(484)
Total Assets	**427,295**	436,668	427,116	433,080	438,204
Total Liabilities	**65,610**	67,884	67,198	67,094	65,187
Total Equity	**361,685**	368,784	359,918	365,986	373,017
Net Asset Per Share (RM)	**1.05**	1.07	1.04	1.06	1.08
(Loss)/Earning Per Share (sen)	**(2.05)**	2.34	(1.75)	(2.03)	2.47

* 15 months' financial period from 1 January 2015 to 31 March 2016.

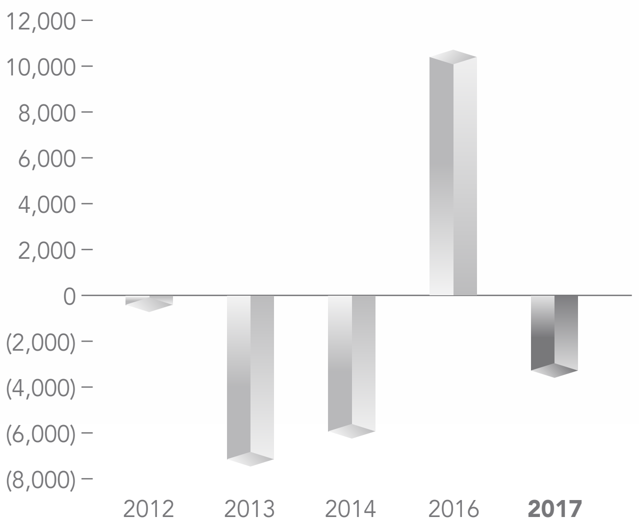
REVENUE
(RM'000)



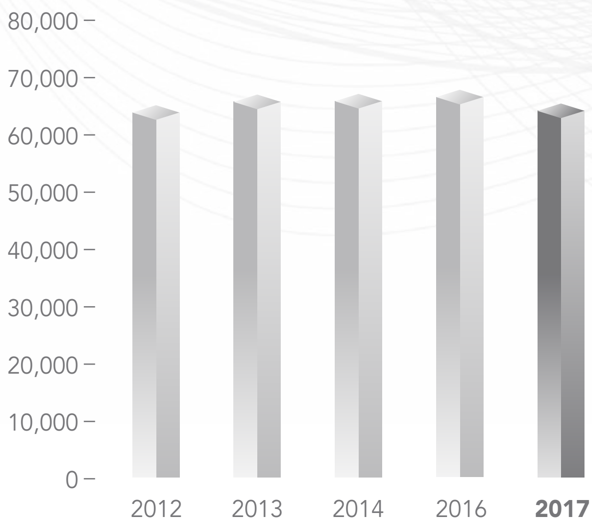
TOTAL ASSETS
(RM'000)



(LOSS)/PROFIT BEFORE TAXATION
(RM'000)



TOTAL LIABILITIES
(RM'000)



PREAMBLE

The Board of Directors of Petaling Tin Berhad is committed to its fiduciary responsibilities for sound corporate governance in its business management practices. Accordingly, the Board supports the Principles and Recommendations laid out in the Malaysian Code on Corporate Governance 2012 ("the Code") wherein disclosures pursuant to the Code is mandated under paragraph 15.25 of the Bursa Malaysia Securities Main Market Listing Requirements.

In particular, the Company has complied with the Recommendations of the Code save for the recommendation that the tenure of independent directors should not exceed a cumulative term of nine years and the recommendation for individual disclosure of directors' remuneration packages (as detailed in Other Compliances Statement of this Annual Report), whereas the ensuing paragraphs narrate how the Company has applied the Principles of the Code.

BOARD OF DIRECTORS

The Board is responsible for, among others, supervising the affairs of the Company to ensure its success is within the acceptable risks. It reviews management performance and ensures that necessary resources are available to meet the Company's objectives. The Board has delegated day-to-day operational decisions to the executive directors and the management who are also responsible for monitoring daily operational matters.

The Board is assisted by Audit Committee, Nomination Committee and Remuneration Committee that operate within the defined terms of reference of each committee.

Board Charter

The Company has in place a Board Charter which sets out the Board's strategic intent and outlines the Board's roles and responsibilities. The Board Charter is a source reference and primary induction literature, providing insights to prospective Board members and senior management.

The Board Charter also outlines the roles and responsibilities of various Board Committees, the Chairman and the Chief Executive Officer/management of the Company as well as policies and practices in respect of matters such as convening of Board and Board Committees' meetings. In short, the Board Charter covers among others the following:-

- Constitution, Duties and Responsibilities of the Board
- Chairman and Chief Executive Officer's Respective Responsibilities
- Board and Board Committees' meeting procedures
- Relationship of the Board to Management
- Access to Timely and Quality information
- Access to Advice and Procedures
- Board Committees including Audit Committee, Nomination Committee and Remuneration Committee's responsibilities
- Shareholders – Investor Relations
- Appendices – Evaluation Mechanism/Framework

The Board Charter provides a basis for good governance, effective functioning and accountability of the Company. It also ensures that the Company and its subsidiaries are effectively led and controlled with the Board of Directors having the ultimate responsibility for maintaining the highest standards of integrity, accountability and corporate governance and acting in the interest of the Company as a whole. In particular, it includes the division of responsibilities and powers between the Board and management, the different committees established by the Board, and between the Chairman and the CEO.

The Board Charter is updated from time to time to reflect changes to the Company's policies, procedures and processes as well as the latest relevant legislations and regulations. The Charter was last reviewed in 2016.

The Board Charter has wide coverage on the Company's operation and management and is viewable on the Company's website www.petalingtin.com.

BOARD OF DIRECTORS (CONT'D)

Board Responsibilities

The Board is led by the Chairman Datuk Haji Jaafar Bin Abu Bakar, a non-executive independent director. The principal duties and responsibilities of the Board is to effectively lead and control the Company. The Board is to oversee the performance of management in a collegial relationship that is supportive yet vigilant. It is also responsible for the Company's strategies, objectives, succession plan and accountability to shareholders.

The Board has clear roles and responsibilities in discharging its fiduciary and leadership functions and has established clear functions reserved for the Board and those that were delegated to the management which are embodied in the Board Charter.

All directors must act in the best interest of the Company and shall disclose to the Board of any potential conflict of interest as soon as he or she becomes aware of such interest.

The Board reviews the Company's budgets and business operations, identifies risks and ensures the existence of adequate internal control systems to manage risks. It reviews quarterly performance, the subsequent three months and long term plans during Board meetings. It provides inputs and views in developing the Company's business strategies and ensures the management has devoted sufficient time and resources and thorough thought in formulating the strategies.

Management

The Executive Directors and the management are responsible for developing corporate strategies and implementing policies of the Board while managing business operations. The management would table quarterly performance, strategic plans, risks and challenges as well as status of their execution to the Board for deliberation during Board meetings.

The Non-Executive Directors are independent of management, free of any business relationship and ensure that business plans, strategies and new inputs proposed are objectively evaluated. They provide constructive inputs from different perspectives in addition to acting as a form of check and balance for the Executive Directors and the management.

Code of Conduct

The Company has an established Code of Business Conduct in regulating employment and business administration, made available in an employee handbook. The Code of Business Conduct reflects the commitment of the Company to run a business that is ethical, fair, efficient and effective, aligned to its business standards. The Code of Business conduct however does not extend to a written policy on whistleblowing. The existing receptive organizational culture, anchored by a sound risk and internal control environment is deemed sufficient and proven to be effective in practice.

Board Meetings

The Company is led and controlled by an experienced Board with a wide range of expertise. Board members' judgements have a bearing on strategies, performances, resources and standards. Five (5) Board meetings were held during the financial year ended 31 March 2017 (with details of attendance presented under Other Compliances Statement of this Annual Report). In between scheduled meetings and where appropriate, Board decisions were effected via circular resolutions.

All directors are committed and have devoted sufficient time to discharge their duties during the financial year. They are also accessible by the management through telephone calls for discussion on all matters affecting the Company. It is a practice that any director before accepting any new directorship would assure the Chairman that his or her time commitment and contribution to the Company would not be compromised.

The Board is provided with agenda of Board meetings and detailed information to enable them to deliberate in these meetings and make decisions. Minutes of proceedings and decisions taken during Board meetings, are recorded by the Company Secretary and circulated to Board members.

All Directors have complied with the minimum requirements on attendance at Board meetings as stipulated in the Bursa Malaysia Securities Main Market Listing Requirements (minimum 50% attendance).

Board Composition

There were no new Board appointments during the financial year ended 31 March 2017. The Board currently consists of five (5) members comprising one (1) Executive Director and four (4) Non-Executive Directors. Among Non-Executive Directors, three (3) are independent, hence more than a third of the Board is independent. Meanwhile, the Board's composition reflects a commitment towards achieving a requisite mix of skills and experience in various business and financial competencies. Executive Directors have direct responsibilities for business operations whereas Non-Executive Directors are responsible for bringing independent objective judgement to bear on Board deliberations.

BOARD OF DIRECTORS (CONT'D)

Board Composition (Cont'd)

With inputs from the Nomination Committee, the Board annually examines its size and composition with a view to determine the impact of the number and make up on its effectiveness. The Board believes that the current size and composition is ideal to provide the necessary check and balance to the Board's decision-making process. Profiles of directors are set out under Profile of the Board of Directors and Key Senior Management of this Annual Report.

To ensure balance of power and authority, the roles of Chairman and Chief Executive Officer are distinct and separate. The Chairman is primarily responsible for ensuring the Board's effectiveness while the CEO is responsible for the efficient management of the business and operations. The Board has identified Datuk Haji Jaafar Bin Abu Bakar as the Senior Independent Non-Executive Director, to whom concerns may be raised.

Board Independence

The Board conducts an annual assessment of the independence of its Independent Non-Executive Directors and is satisfied that they continue to bring independent and objective judgement to Board deliberations.

The Company's Independent Non-Executive Directors, namely, Datuk Haji Jaafar Bin Abu Bakar, Datuk Wan Kassim Bin Ahmed and Lim Mun Kee having served more than 9 years, constitutes a departure from the Code recommendations. The Board is of the opinion that these directors, as a result of their long tenure, possess valuable knowledge of the structure, controls and dynamics of the Company. The Board, with recommendations of the Nomination Committee, therefore, recommends that Datuk Haji Jaafar Bin Abu Bakar, Datuk Wan Kassim Bin Ahmed and Lim Mun Kee continue to serve as Independent Non-Executive Directors of the Company for another year.

Consequently, pursuant to Recommendation 3.3 of the Code, the Board seeks shareholders' approval to retain their designation as Independent Directors. The length of their service on the Board does not in any way interfere with their exercise of independent judgement and ability to act in the best interests of the Company, as they continue to be scrupulously independent in the discharge of their duties as constructive challengers of executive management.

Board Diversity/Gender

The Board acknowledges the importance of Board diversity, including gender diversity, to the effective functioning of the Board. The Board endeavours to achieve diversification in terms of gender, ethnicity and age, underpinned by the overriding primary aim of selecting the best candidates to support the achievement of the Company's strategic objectives.

Taking into consideration the nature and size of the current business operations and investments, the Board is of the view that the composition and structure of the Board should be maintained for the time being. Female representations will be considered when vacancies arise and suitable candidates are identified.

Continuing Education of Directors

Directors are required to attend the Mandatory Accreditation Programme prescribed by Bursa Malaysia Securities Berhad. All the Directors have fulfilled the Mandatory Accreditation Programme requirement.

Directors' training is an on-going process as the directors recognize the need to continually develop and refresh their skills and knowledge and to update themselves on developments in the related industry and business landscape.

Board members were updated quarterly on global developments and trends in Corporate Governance principles and best practices besides local regulatory and capital market developments. During the financial year, the directors attended an in-house training on:

1. Key Amendments to the Listing Requirements 2016;
2. Key Disclosure Obligations of a Listed Company.

Apart from inputs from directors, the training needs of directors will also be considered by the Nomination Committee. The Company Secretary will also re-direct email invitations on seminars, breakfast talks and briefings from Bursa Malaysia Securities Berhad and various professional bodies from time to time to the directors and management for consideration and participation.

BOARD OF DIRECTORS (CONT'D)

Supply of Information

The Directors have full and unrestricted access to all information pertaining to the Company's business and affairs, whether as a full Board or in their individual capacity, to enable them to discharge their duties.

Board meetings are held quarterly to deliberate inter-alia, on the Company's corporate developments, financial results, business operations, risk management and internal audit reports with proceedings duly minuted and signed by the meeting Chairman.

During Board meetings, management are required to furnish further details on any issues raised and to provide supplementary information at the Board's behest. The Board of Directors also have ready and unrestricted access to the advice and services of the Company Secretary to enable them to discharge their duties effectively. Directors may also seek briefings from the management or auditors on specific matters in addition to the regular presentations to the Board. At least one week prior to Board meetings, the directors are provided with the agenda together with Board papers containing reports and information relevant to the business of the meeting to enable sufficient time frame to consider any matters arising.

The directors whether as a full Board or in their individual capacity, may obtain independent professional advice at the Company's expense in furtherance of their duties. In such a situation, a copy of the report or independent advice would be made available to the Chairman and all directors for deliberation. No such Board matters were individually referred to external legal counsels for advice during the financial year ended 31 March 2017.

Company Secretary

The Company Secretary is a certified Company Secretary under the Companies Act 2016 and plays a supporting role to the Board to ensure adherence to Board policies, procedures, Bursa Malaysia Securities Main Market Listing Requirements and other compliances.

The Company Secretary maintains the statutory records in accordance with legal requirements, organizes and facilitates the convening of Board meetings, Board Committees' meeting, general meetings, in consultation with Board members and the Chairman in particular.

The Company Secretary records, prepares and circulates minutes of meetings of the Board, Board committees and ensures that the minutes are properly kept at the registered office of the Company and produced for inspection if required. In addition, the Company Secretary also updates and circulates to Board members, any amendments to the Bursa Malaysia Securities Main Market Listing Requirements, practices and guidance notes from Bursa Malaysia Securities Berhad which affect the Company and its business operations.

In particular, the Company Secretary carries out among others, the followings:

- attending Board and Board Committees' meetings and ensuring that these meetings are properly convened and proceedings are properly recorded;
- ensuring that all appointments to the Board and Board Committees are properly made;
- maintaining records for the purposes of meeting statutory obligations;
- facilitating the ongoing provision of information as may be requested by the Directors and supporting the Board in ensuring ongoing adherence to Board policies and procedures.

Board Committees

The Board has delegated specific responsibilities to Board Committees which comprise the Audit Committee, Nomination Committee and Remuneration Committee. These Committees operate within defined terms of reference and are limited to making recommendations to the Board for final decision on matters discussed and deliberated.

Minutes of proceedings and decisions taken during the Board meetings are recorded by the Company Secretary and were circulated promptly to the members of Board Committees.

Appointments to the Board

The Board had established a Nomination Committee with appropriate terms of reference on 30 October 2001. The members of the Committee, currently comprising wholly Independent Non-Executive Directors, are as follows:

1. Datuk Haji Jaafar Bin Abu Bakar (Chairman)
2. Datuk Wan Kassim Bin Ahmed

The Nomination Committee is chaired by a Senior Independent Director identified by the Board, thereby enhancing the Committee's overall effectiveness.

BOARD OF DIRECTORS (CONT'D)

Appointments to the Board (Cont'd)

The Nomination Committee established by the Board, is responsible for screening, evaluating and recommending suitable candidates to the Board for appointment as directors, as well as filling the vacant seats of the Board Committees. In respect of the appointment of directors, the Company practices a clear and transparent nomination process which involves the identification of candidates, evaluation of suitability of candidates, meeting up with candidates, final deliberation by the Nomination Committee and recommendation to the Board. The potential candidates may be proposed by an existing director, senior management staff, shareholders or third party referrals. Upon completion of the assessment and evaluation of the proposed candidates, the Nomination Committee would make its recommendation to the Board. Based on the recommendation, the Board would evaluate and decide on the appointment of the proposed candidates.

The Nomination Committee has a formal assessment mechanism in place to assess on an annual basis, the effectiveness of the Board as a whole and the contribution of each individual director, including the Independent Non-Executive Directors. The Committee shall meet at least once a year. Additional meetings are held as and when required. During the financial year, the Committee met one (1) time on the 16 February 2017.

At the meeting, the Nomination Committee considered the compositions of the Board and its committees as well as their performance. As a result of discussions held, succession planning has become an area frequently visited to ensure it would not become a material risk to the Company.

The Board Charter which contains the assessment mechanism can be located on the Company's website www.petalingtin.com.

Re-election

In accordance with the Company's Constitution, all directors are subject to retirement from office at least once in every three (3) years, but shall be eligible for re-election. This provision is not only consistent with the underlying principles of the Code, but also, fully in line with paragraph 7.26 (2) of the Bursa Malaysia Securities Main Market Listing Requirements. The Constitution also provides that any director appointed during the year is required to retire and seek re-election at the following Annual General Meeting ("AGM") immediately after such appointment.

The Directors who are subject to re-election at the AGM will be assessed by the Nomination Committee on their performance whereupon recommendations will be submitted to the Board for decision on the proposed re-election of the Directors concerned for shareholders' approval at the forthcoming AGM.

DIRECTORS' REMUNERATION

Procedure

The Board had established a Remuneration Committee with appropriate terms of reference, on 30 October 2001. The primary objective of the Remuneration Committee is to assist the Board in developing and establishing competitive remuneration policies and packages in all its forms, while drawing advice from experts if deemed necessary. The Committee currently comprising wholly of Independent Non-Executive Directors, are as follows:

1. Datuk Haji Jaafar Bin Abu Bakar (Chairman)
2. Datuk Wan Kassim Bin Ahmed
3. Lim Mun Kee

The Committee shall meet at least once a year. Additional meetings shall be scheduled if considered necessary by the Committee or Chairman. During the financial year, the Committee met one (1) time on the 16 February 2017.

The Level and Make-up of Remuneration

The Committee's duty is to, inter-alia, review the remuneration framework and packages of newly appointed and existing Executive Directors and make recommendations to the Board for approval, with the underlying objective of attracting, motivating and retaining directors needed to run the Company successfully. In particular, the remuneration package is structured to commensurate with corporate and individual performance, business strategy and long term objective of the Company.

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

Disclosure

The details of Directors' Remuneration for the financial year are summarized under Other Compliances Statement of this Annual Report.

Statement on Corporate Governance

SHAREHOLDERS

Dialogue between Company and Shareholders

The Company recognizes the importance of keeping shareholders well informed of the Company's major corporate developments and events. The Board had directed the Company to disclose all relevant information to shareholders to enable them to exercise their rights. Such information is duly and promptly announced via Bursa Malaysia Securities Berhad and other appropriate communication channels.

In particular, dissemination of information includes the distribution of annual reports, announcement of quarterly financial performances, issuance of circulars, press releases and holding of press conferences.

To further enhance transparency to all shareholders and stakeholders of the Company, the Company has established a website at www.petalingtin.com where shareholders can access information encompassing corporate information, financial highlights, annual reports and announcements via Bursa Malaysia Securities Berhad.

The Annual General Meeting ("AGM")

The AGM is the principal platform for dialogue with shareholders, wherein, the Board presents the operations and performance of the Company. During the meeting, shareholders are given every opportunity to enquire and comment on matters relating to the Company's business.

The Company has taken active steps to encourage shareholder participation at general meetings such as serving notices for meetings earlier than the minimum notice period. The Chairman and members of the Board are available to respond to shareholders' queries during the meeting.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is responsible for ensuring a balanced and understandable assessment of the Company's position and prospects in its quarterly announcements and annual reports. The Audit Committee assists the Board by reviewing the disclosure information to ensure completeness, accuracy and validity. A full Directors' Responsibility Statement is also included in this Annual Report.

Internal Control

The Statement on Risk Management and Internal Control set out in this Annual Report provides an overview of the Company's approach in maintaining a sound system of internal control to safeguard shareholders' investment and the Company's assets.

Relationship with the Auditors

The Board via the establishment of an Audit Committee maintains a formal and transparent relationship with the Company's auditors and place great emphasis on the objectivity and independence of the Company's external auditors.

The roles of the Audit Committee in relation to the auditors in particular, and corporate governance in general, are detailed in the Audit Committee Report of this Annual Report.

This statement is made in accordance with a resolution of the Board of Directors dated 18 July 2017.

Statement on Risk Management and Internal Control

PREAMBLE

Pursuant to paragraph 15.26(b) of the Bursa Securities Main Market Listing Requirements, the Board of Directors is required to include in its Annual Report, a statement on the state of risk management and internal control of the Company. In making this Statement on Risk Management and Internal Control, it is essential to specifically address the Principles and Recommendations in the Malaysian Code on Corporate Governance ("the Code") which relate to risk management and internal control.

RESPONSIBILITY

The Board of Directors has overall stewardship responsibility for the Company's system of internal control and for reviewing its adequacy and integrity to safeguard shareholders' investment and the Company's assets. However, it should be noted that such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss. The associated companies have not been dealt with as part of the Company for the purpose of this statement.

INTERNAL CONTROL FRAMEWORK

The embedded control system is designed to facilitate achievement of the Company's business objectives. It comprises the underlying control environment, control procedures, communication and monitoring processes which manifest as follows:

- Organizational structure defining lines of responsibility, delegation of authority, segregation of duties and information flow. Besides the predominantly non-executive standing committees such as the Audit, Nomination and Remuneration Committees, the Board is supported by executive management operationally. These committees convene periodically to meet its strategic business agenda thus ensuring that the Board, properly apprised, maintains effective supervision over the entire operations.

- Policies, procedures and standards have been established, periodically reviewed and updated in accordance with changes in the operating environment.

- Comprehensive budgeting process for major operating units with periodical monitoring of performance so that major variances are followed up and management action taken.

- Functional limits of authority in respect of revenue and capital expenditure for all operating units. These commitment authority thresholds, working in tandem with budgeting and payment controls, serve to facilitate the approval process whilst keeping potential exposure in check.

- Detailed justification and approval process for major projects and acquisitions imposed, to ensure congruence with the Company's strategic objectives.

- Independent appraisals by internal auditors to ensure ongoing compliance with policies, procedures, standards and legislations whilst assessing the effectiveness of the Company's system of financial, compliance and operational controls.

RISK MANAGEMENT FRAMEWORK

Besides primary ownership over effectiveness of the Company's internal control systems, the Board regards risk management as an integral part of the business operations. The Board recognizes its responsibility over the principal risks of various aspects of the Company's business. For long term viability of the Company, the Board acknowledges that, it is crucial to achieve a critical balance between risks incurred and potential returns.

In response to the above challenge, the Company confirms that there is an on-going process of identifying, evaluating, managing, monitoring and reporting significant risks affecting the achievement of the Company's business objectives via the establishment of an in-house structured risk management framework.

A Risk Advisory Committee ("RAC") comprising senior management personnel is responsible, inter alia, for internal policy communications, acquiring risk management skills, developing skills through education and training, and ensuring adequate scale of recognition, rewards and sanctions was set up on 26 March 2002.

Statement on Risk Management and Internal Control

In particular, the Company's risk management process is focused on the following objectives:

- risks arising from business strategies and activities are identified and prioritized by functional heads.

- management and the Board have determined the Company's risk appetite vis-à-vis the accomplishment of the Company's strategic plans.

- risk mitigation activities are designed and implemented to manage risks at an acceptable level sanctioned by management and the Board.

A key risk register would be prepared by management, tabled at the Audit Committee meeting for review and circulated to the Board for notation. The risk management process involves:

1. Establishment of objectives.
2. Identification of risks.
3. Analysis and evaluation of risks.
4. Treatment of risks.
5. Monitoring and review of risks.

The key risks identified include:

1. Exposure to classification as a Bursa Securities Practice Note 17 Company.
2. Planning constraints due to land characteristics.
3. Performance failure of contractors.
4. Low take up rate due to oversupply and non approval of end financing
5. Increase in gross development costs due to potential rise in building materials price.
6. Statutory and regulatory compliances.

During the financial year, the RAC convened quarterly to monitor the Company's significant risks and recommended appropriate treatments. The Audit Committee facilitated by the internal audit function, establishes the adequacy and effectiveness of the Company's risk management framework by reviewing quarterly, the resultant RAC risk registers.

INTERNAL AUDIT

An in-house internal audit function supports the Audit Committee, and by extension, the Board, by providing reasonable independent assurance on the effectiveness of the Company's system of internal control.

In particular, Internal Audit appraise and contribute towards improving the Company's risk management and internal control systems and reports to the Audit Committee on a quarterly basis. The internal audit work plan which reflects the risk profile of the Company's major business sectors is routinely reviewed and approved by the Audit Committee.

Quarterly, the Board of Directors, through its Audit Committee, has reviewed the adequacy and effectiveness of the Company's risk management process and internal control systems and relevant actions have been or are being taken as the case may be, to remedy the internal control weaknesses identified from the reviews, which was largely based on the outcome of observations raised by internal auditors directly to the Audit Committee.

INTERNAL CONTROL ISSUES

Management maintains an ongoing commitment to strengthen the Company's control environment and processes. The Chief Executive Officer and the Chief Financial Officer have provided assurance to the Board that the Company's risk management and internal control systems are operating adequately and effectively, in all material aspects, based on the risk management and internal control frameworks of the Company.

The management will continue and take measures to ensure the ongoing effectiveness and adequacy of the system of risk management and internal controls, so as to safeguard shareholders' investment and the Company's assets. During the year, there were no material losses caused by breakdown in internal control.

This statement is made in accordance with a resolution of the Board of Directors dated 18 July 2017 and has been duly reviewed by the external auditors, pursuant to paragraph 15.23 of the Bursa Securities Main Market Listing Requirements.

Audit Committee Report

PREAMBLE

Pursuant to paragraph 15.15 of the Bursa Malaysia Securities Main Market Listing Requirements, the Board is required to prepare an Audit Committee Report for inclusion in its Annual Report.

COMPOSITION

For the financial year, the members of the Audit Committee, their respective designations and directorships are as follows:

Chairman

Datuk Haji Jaafar Bin Abu Bakar
Independent Non-Executive Director

Members

Datuk Wan Kassim Bin Ahmed
Independent Non-Executive Director

Lim Mun Kee
Independent Non-Executive Director

TERMS OF REFERENCE

The primary objective of the Audit Committee (as a standing committee of the Board) is to assist the Board in the effective discharge of its fiduciary responsibilities for corporate governance, financial reporting and internal control. The Audit Committee will report to the Board on the nature and extent of the functions performed by it and may make such recommendations to the Board on any audit and financial reporting matters as it may think fit.

The Terms of Reference comprising purpose, reporting responsibilities, frequency of meetings, quorum, authority and duties are detailed on the Company's website at www.petalingtin.com.

DETAILS OF MEETINGS

The Audit Committee met five (5) times during the financial year ended 31 March 2017 and details of attendance are as follows:

Datuk Haji Jaafar Bin Abu Bakar	5/5
Datuk Wan Kassim Bin Ahmed	5/5
Lim Mun Kee	5/5

During the financial year, the relevant training attended by the above Directors are detailed in the Corporate Governance Statement of this Annual Report.

SUMMARY OF AUDIT COMMITTEE WORK

In discharging its responsibilities for the financial year, the Audit Committee, in particular:

- Reviewed the quarterly and year end financial statements and made recommendations to the Board.
- Reviewed and approved the annual internal audit work plan.
- Deliberated over the internal audit and compliance reports, ensuring recommendations are carried out.
- Reviewed and assisted in the development and implementation of sound and effective internal controls and business systems within the Company.
- Reviewed the Risk Advisory Committee report, ensuring adequacy and effectiveness of the Company's Risk Management Framework.
- Discussed and reviewed with the external auditors the results of their examination, their auditor's reports and management letters in relation to the audit and accounting issues arising from the audit.
- Conducted an annual assessment of the suitability and independence of the external auditors and thereafter made recommendations to the Board for their reappointment and subsequently sought shareholders' approval at the forthcoming Annual General Meeting.
- Reviewed the Company's compliance with regards to the Bursa Malaysia Securities Main Market Listing Requirements and compliance with accounting standards issued by the Malaysian Accounting Standards Board.

Audit Committee Report

SUMMARY OF INTERNAL AUDIT WORK

The Audit Committee is supported by an Internal Audit Department which reports directly to the Committee and is independent of the activities they audit. In meeting its responsibilities, the internal audit function is necessarily guided by the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing. In particular, risk based plans are established to determine the priorities of internal audit activities, consistent with the Group's goals. The cost incurred on this function which includes risk management and corporate governance was RM68,280.00 for the financial year. During the financial year, the Internal Audit Department conducted, inter alia, the following activities:

- Formulated and agreed with the Audit Committee on the audit plan, strategy and scope of work.
- Reviewed compliance with internal policies, procedures and standards, relevant external rules and regulations, as well as assessed the adequacy and effectiveness of the Company's internal control system.
- Analyzed and assessed key business processes, report findings, and made recommendations to improve effectiveness and efficiency.
- Followed up on internal audit recommendations to ensure adequate implementation.
- Advised on the implementation of the Malaysian Code on Corporate Governance, Bursa Malaysia Securities Main Market Listing Requirements and other regulatory requirements.
- Performed investigations and special review as requested by the Board and management.
- Facilitated and reviewed the Company's risk management framework for adequacy and effectiveness, in tandem with the business environment.

This report is made in accordance with a resolution of the Board of Directors dated 18 July 2017.

Directors' Responsibility Statement

Pursuant to Paragraph 15.26(a) of the Bursa Securities Main Market Listing Requirements

The Directors are required by Malaysian company law to prepare for each accounting period financial statements which give a true and fair view of the state of affairs of the Company as at the end of the accounting period and of the results of their operations and cashflows for that period.

In preparing the financial statements the Directors are required to select and apply consistently suitable accounting policies and make reasonable and prudent judgements and estimates. Applicable accounting standards also have to be followed and a statement made to that effect in the financial statements, subject to any material departures being disclosed and explained in the notes to the financial statements. The Directors are required to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business. The Directors are responsible for ensuring proper accounting records are kept which discloses with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2016.

They are also responsible for taking reasonable steps to safeguard the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This statement is made in accordance with a resolution of the Board of Directors dated 18 July 2017.

1. DIRECTORS' ATTENDANCE AT BOARD MEETINGS

During the financial year, the Board held five (5) meetings, the attendance of which was as follows:-

Directors	Attendance
1. Datuk Haji Jaafar Bin Abu Bakar	5/5
2. Chen Yiy Fon	*4/5
3. Datuk Wan Kassim Bin Ahmed	5/5
4. Dato' Nik Kamaruddin Bin Ismail	5/5
5. Lim Mun Kee	5/5

* Abstained from the Board of Directors' Meeting held on 3 May 2016.

2. DIRECTORS' REMUNERATION

The aggregate remuneration of Directors for the financial year is categorised as follows:-

	Group			Company		
Description	Fees RM	Salaries and other Emoluments RM	Total RM	Fees RM	Salaries and other Emoluments RM	Total RM
Executive	-	399,504	399,504	-	399,504	399,504
Non-Executive	276,000	-	276,000	276,000	-	276,000
	276,000	399,504	675,504	276,000	399,504	675,504

The number of Directors whose remuneration falls in each successive band of RM50,000 are as follows:-

	Group/Company	
Range (RM)	Executive	Non-Executive
50,000 & below	0	1
50,001 to 100,000	0	2
100,001 to 150,000	0	1
150,001 to 200,000	0	0
200,001 to 250,000	0	0
250,001 to 300,000	0	0
300,001 to 350,000	0	0
350,001 to 400,000	1	0
Total	**1**	**4**

The above disclosure is in compliance with the Bursa Securities Main Market Listing Requirements. Nevertheless, it represents a departure from the Principles of Corporate Governance of the Code, which prescribes individual disclosure of Directors' remuneration packages. The Board is of the opinion that individual disclosure would impinge upon the Directors' reasonable right to privacy whilst not significantly enhancing shareholders' information.

3. UTILISATION OF PROCEEDS

There were no proceeds raised from corporate proposal during the financial year.

4. NON - AUDIT FEES

The amounts of audit and non-audit fees paid or payable to the Company's auditors for the financial year:-

	Group RM	Company RM
Audit fees	79,240	43,000
Non-audit fees	5,000	5,000
	84,240	48,000

5. MATERIAL CONTRACTS

There were no material contracts entered into by the Group involving the interest of Directors or major shareholders, either still subsisting at the end of the financial year ended 31 March 2017 or entered into since the end of the previous financial year.

6. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE NATURE

There were no material recurrent related party transactions of a revenue nature during the financial year.

This statement is made in accordance with a resolution of the Board of Directors dated 18 July 2017.

Financial Statements

Directors' Report

The Directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2017.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of property development, investment holdings and provision of management services. The principal activities of the subsidiary companies are disclosed in Note 5 to the financial statements.

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

FINANCIAL RESULTS

	Group RM	Company RM
Net loss for the financial year attributable to the owners of the company	7,099,180	2,604,464

RESERVES AND PROVISIONS

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

DIVIDEND

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

ISSUE OF SHARES AND DEBENTURES

There were no issuance of new shares or debentures during the financial year.

TREASURY SHARES

As at 31 March 2017, the Company held 271,700 treasury shares out of its issued ordinary shares. Further relevant details are disclosed in Note 17 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

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

Datuk Haji Jaafar Bin Abu Bakar
Chen Yiy Fon
Datuk Wan Kassim Bin Ahmed
Dato' Nik Kamaruddin Bin Ismail
Lim Mun Kee

DIRECTORS' INTERESTS

The interests and deemed interests in the shares and options over shares of the Company and of its related corporations (other than wholly-owned subsidiary companies) of those who were Directors at financial year end (including their spouses or children) according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.4.2016	**Acquired**	**Disposed**	**At 31.3.2017**
Direct Interest				
Datuk Haji Jaafar bin Abu Bakar	5,000	-	-	5,000

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 during the financial year save for Mr Chen Yiy Fon by virtue of the shares in the Company held by his father, Tan Sri Dr. Chen Lip Keong, who is a major shareholder of the Company.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by Directors as shown in Note 25 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than certain Directors, if any, who have significant financial interests in companies which traded with certain companies in the Group in the ordinary course of business as disclosed in Note 29 to the financial statements.

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

OTHER STATUTORY INFORMATION

(a) Before the statements of financial position and statements of profit or loss and other comprehensive income of the Group and of the Company were made out, the Directors took reasonable steps:

  (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and

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

(b) At the date of this report, the Directors are not aware of any circumstances:

  (i) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

  (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

  (iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or

  (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

OTHER STATUTORY INFORMATION (CONT'D)

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

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability 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 other than those arising in the normal course of business of the Group and of the Company.

(d) In the opinion of the Directors:

(i) no contingent liability or other liability the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet its obligations as and when they fall due;

(ii) 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, except as disclosed in the notes to the financial statements; and

(iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

SIGNIFICANT EVENT

The significant event is disclosed in Note 32 to the financial statements.

SUBSIDIARY COMPANIES

The details of the subsidiary companies are disclosed in Note 5 to the financial statements.

AUDITORS' REMUNERATION

The details of auditors' remuneration are set out in the Note 25 to the financial statements.

AUDITORS

Messrs UHY retires at the forthcoming annual general meeting and does not wish to seek re-appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 18 July 2017.

Datuk Haji Jaafar bin Abu Bakar | **Chen Yiy Fon**

Kuala Lumpur

Statement by Directors

Pursuant to Section 251(2) of the Companies Act, 2016

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 31 to 73 are drawn up in accordance with Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2017 and of their financial performance and cash flows for the financial year then ended.

The supplementary information set out in Note 35 to the financial statements on page 74 have been compiled in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

Signed on behalf of the board of Directors in accordance with a resolution of the Directors dated 18 July 2017.

Datuk Haji Jaafar bin Abu Bakar

Chen Yiy Fon

Kuala Lumpur

Statutory Declaration

Pursuant to Section 251(1) of the Companies Act, 2016

I, Lim Kam Choy, being the officer primarily responsible for the financial management of Petaling Tin Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 31 to 74 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provision of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed)
at Petaling Jaya in the State of Selangor Darul Ehsan)
on 18 July 2017)

Lim Kam Choy

Before me,

Wong Choy Yin (B508)
Commissioner for Oaths

Independent Auditors' Report

To the Members of Petaling Tin Berhad (Company No. : 324-H)
(Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Petaling Tin Berhad, which comprise the statements of financial position as at 31 March 2017 of the Group and of the Company, and the statements of profit and loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 31 to 73.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2017, and of their financial performance and their cash flows for the financial year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Requirements

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How we addressed the key audit matters
Investment properties Investment properties are measured initially at cost and subsequently at fair value with any changes therein recognised in profit or loss for the period in which they arise. The fair value of the investment properties were determined by the directors based on valuations by independent valuers by reference to market evidence of transaction prices of similar properties or comparable available market data.	Our audit procedures included:- • Review and discuss with management on the carrying amount of investment properties in accordance with FRS 140 *Investment Properties*. • Evaluating the independent valuer's competence, capabilities and objectivity. • Assessing the methodologies used and the appropriateness of the key assumptions of the valuation report based on our knowledge and desktop search on the surrounding property. • Checking, on a sample basis, through desktop search for the surrounding similar properties on the accuracy and relevance of the input data used by the independent valuer.

Information Other than the financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

Independent Auditors' Report

To the Members of Petaling Tin Berhad (Company No. : 324-H)
(Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Responsibilities

The supplementary information set out in Note 35 on page 74 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

UHY
Firm Number: AF 1411
Chartered Accountants

Ng Leong Teck
Approved Number: 3168/12/17 (J)
Chartered Accountant

18 July 2017

Statements of Financial Position

As at 31 March 2017

	Note	Group 31.3.2017 RM	Group 31.3.2016 RM	Company 31.3.2017 RM	Company 31.3.2016 RM
Non-Current Assets					
Property, plant and equipment	4	**254,394**	628,809	**34,596**	223,311
Investment in subsidiary companies	5	**-**	-	**465,827,660**	465,827,660
Investment properties	6	**161,372,700**	155,579,174	**3,200,000**	4,026,020
Land held for property development	7	**230,077,368**	229,738,839	**38,631,942**	38,631,942
Total Non-Current Assets		**391,704,462**	385,946,822	**507,694,198**	508,708,933
Current Assets					
Accrued billings in respect of property development costs		**1,128,428**	1,128,428	**-**	-
Trade receivables	9	**2,870,947**	38,736,708	**-**	-
Other receivables	10	**1,864,402**	1,760,150	**74,559**	127,748
Amount owing by subsidiary companies	11	**-**	-	**70,773,913**	83,374,971
Tax recoverable		**958**	875	**875**	875
Fixed deposits with licensed banks	12	**1,056,564**	1,075,044	**-**	50,000
Cash and bank balances	13	**28,669,403**	1,318,806	**22,874,593**	305,693
		35,590,702	44,020,011	**93,723,940**	83,859,287
Non-current Assets classified as held for sale	14	**-**	6,701,442	**-**	-
Total Current Assets		**35,590,702**	50,721,453	**93,723,940**	83,859,287
Total Assets		**427,295,164**	436,668,275	**601,418,138**	592,568,220
Equity					
Share capital	15	**346,102,679**	346,102,679	**346,102,679**	346,102,679
Reserves	16	**15,650,668**	22,749,848	**(9,980,280)**	(7,375,816)
Treasury shares	17	**(68,236)**	(68,236)	**(68,236)**	(68,236)
Total Equity		**361,685,111**	368,784,291	**336,054,163**	338,658,627
Non-Current Liabilities					
Deferred tax liabilities	18	**31,918,114**	31,524,143	**-**	-
Total Non-Current Liabilities		**31,918,114**	31,524,143	**-**	-
Current Liabilities					
Trade payables	19	**19,281,991**	8,186,969	**-**	-
Other payables	20	**8,843,908**	10,832,164	**5,093,426**	7,411,355
Provisions	21	**2,306,025**	2,315,391	**-**	-
Amount owing to subsidiary companies	11	**-**	-	**260,270,549**	246,498,238
Taxation		**3,260,015**	15,025,317	**-**	-
Total Current Liabilities		**33,691,939**	36,359,841	**265,363,975**	253,909,593
Total Liabilities		**65,610,053**	67,883,984	**265,363,975**	253,909,593
Total Equity and Liabilities		**427,295,164**	436,668,275	**601,418,138**	592,568,220

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

Statements of Profit or Loss and Other Comprehensive Income

For the financial year ended 31 March 2017

	Note	Group		Company	
		1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM
Revenue	22	**21,524,196**	28,799,150	**-**	2,040,195
Direct costs	23	**(6,867,876)**	(9,193,092)	**-**	-
Gross profit		**14,656,320**	19,606,058	**-**	2,040,195
Other income		**9,030,196**	1,083,335	**580,351**	3,371
Selling and distribution costs		**(896,114)**	(1,321,858)	**-**	-
Administrative costs		**(9,092,647)**	(7,981,705)	**(2,293,033)**	(4,670,985)
Other costs		**(17,331,473)**	(628,496)	**(891,782)**	(22,315)
(Loss)/Profit from operations		**(3,633,718)**	10,757,334	**(2,604,464)**	(2,649,734)
Finance costs	24	**-**	(70,163)	**-**	(2,608)
(Loss)/Profit before taxation	25	**(3,633,718)**	10,687,171	**(2,604,464)**	(2,652,342)
Taxation	26	**(3,465,462)**	(2,610,398)	**-**	-
(Loss)/Profit from continuing operations		**(7,099,180)**	8,076,773	**(2,604,464)**	(2,652,342)
Other Comprehensive Income					
Income tax relating to items of other comprehensive income that may not be reclassified to profit or loss		**-**	789,310	**-**	-
Total comprehensive income for the financial year/period		**(7,099,180)**	8,866,083	**(2,604,464)**	(2,652,342)
(Loss)/Earnings per share attributable to owners of the parent (sen)					
Basic and diluted (loss)/earnings per share	27	**(2.05)**	2.34		

Statements of Changes in Equity

For the financial year ended 31 March 2017

Group	Note	Share Capital RM	Treasury Shares RM	Share Premium RM	Revaluation Reserves RM	Other Reserves RM	Accumulated Losses RM	Total Equity RM
		← Attributable to owners of the Parent →						
		← Non-distributable →						
At 1 January 2015		346,102,679	(68,236)	43,953,998	1,570,447	3,526,514	(35,167,194)	359,918,208
Net profit for the financial period		-	-	-	-	-	8,076,773	8,076,773
Realisation of revaluation surplus on sale of development properties		-	-	-	1,400,020	-	(610,710)	789,310
At 31 March 2016		346,102,679	(68,236)	43,953,998	2,970,467	3,526,514	(27,701,131)	368,784,291
At 1 April 2016		346,102,679	(68,236)	43,953,998	2,970,467	3,526,514	(27,701,131)	368,784,291
Net loss for the financial year		-	-	-	-	-	(7,099,180)	(7,099,180)
At 31 March 2017	16	**346,102,679**	**(68,236)**	**43,953,998**	**2,970,467**	**3,526,514**	**(34,800,311)**	**361,685,111**

Company	Share Capital RM	Treasury Shares RM	Share Premium RM	Other Reserves RM	Accumulated Losses RM	Total Equity RM
	← Non-distributable →					
At 1 January 2015	346,102,679	(68,236)	43,953,998	4,519,264	(53,196,736)	341,310,969
Net loss for the financial period representing total comprehensive income for the financial period	-	-	-	-	(2,652,342)	(2,652,342)
At 31 March 2016	346,102,679	(68,236)	43,953,998	4,519,264	(55,849,078)	338,658,627
At 1 April 2016	346,102,679	(68,236)	43,953,998	4,519,264	(55,849,078)	338,658,627
Net loss for the financial year representing total comprehensive income for the financial year	-	-	-	-	(2,604,464)	(2,604,464)
At 31 March 2017	**346,102,679**	**(68,236)**	**43,953,998**	**4,519,264**	**(58,453,542)**	**336,054,163**

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

Statements of Cash Flows

For the financial year ended 31 March 2017

	Group		Company	
	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM
Cash Flows From Operating Activities				
(Loss)/Profit before tax	**(3,633,718)**	10,687,171	**(2,604,464)**	(2,652,342)
Adjustments for:				
Depreciation of property, plant and equipment	**331,152**	277,388	**191,670**	105,390
Fair value adjustment on investment properties	**(5,793,526)**	-	**826,020**	-
Impairment loss on trade receivables	**5,004,254**	-	**-**	-
Impairment loss on other receivables	**9,507**	-	**-**	-
Interest expense	**-**	70,163	**-**	2,608
Interest income	**(1,219,457)**	(348,570)	**(580,351)**	(2,709)
Loss on disposal of property, plant and equipment	**42,398**	-	**-**	-
Penalty waived	**(1,348,130)**	-	**-**	-
Operating (loss)/profit before working capital changes	**(6,607,520)**	10,686,152	**(2,167,125)**	(2,547,053)
Changes in working capital:				
Land held for property development and property development costs	**-**	3,454,174	**-**	-
Accrued billing	**-**	5,612,557	**-**	-
Receivables	**37,449,190**	(19,261,726)	**53,189**	(46,971)
Payables	**9,318,987**	1,131,099	**(2,317,929)**	2,464,243
Amount owing by subsidiary companies	**-**	-	**26,373,369**	391,656
	46,768,177	(9,063,896)	**24,108,629**	2,808,928
Cash generated from operations	**40,160,657**	1,622,256	**21,941,504**	261,875
Interest paid	**-**	(70,163)	**-**	(2,608)
Interest received	**1,187,937**	348,570	**580,351**	2,709
Tax refund	**-**	38,681	**-**	38,681
Tax paid	**(13,710,333)**	(800,291)	**-**	-
	(12,522,396)	(483,203)	**580,351**	38,782
Net cash from Operating Activities	**27,638,261**	1,139,053	**22,521,855**	300,657
Cash Flows From Investing Activities				
Purchase of property, plant and equipment	**(8,135)**	(33,914)	**(2,955)**	(28,414)
Addition of invesment properties	**-**	(52,000)	**-**	-
Increase in land held for property development	**(338,529)**	(547,019)	**-**	-
Proceeds from disposal of property, plant and equipment	**9,000**	-	**-**	-
Net cash used in investing activities carried forward	**(337,664)**	(632,933)	**(2,955)**	(28,414)

Statements of Cash Flows

For the financial year ended 31 March 2017

	Group		Company	
	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM
Net cash used in investing activities brought forward	**(337,664)**	(632,933)	**(2,955)**	(28,414)
Cash Flows From Financing Activities				
Withdrawal of fixed deposit pledged	**50,000**	109,828	**50,000**	-
Repayment of finance lease liabilities	**-**	(26,487)	**-**	(26,487)
Repayment of term loan	**-**	(1,312,154)	**-**	-
Net cash from/(used in) financing activities	**50,000**	(1,228,813)	**50,000**	(26,487)
Net increase/(decrease) in cash and cash equivalents	**27,350,597**	(722,693)	**22,568,900**	245,756
Cash and cash equivalents at the beginning of the financial period	**1,318,806**	2,041,499	**305,693**	59,937
Cash and cash equivalents at the end of the financial year	**28,669,403**	1,318,806	**22,874,593**	305,693
Cash and cash equivalents at the end of the financial year/period comprise:				
Cash and bank balances	**783,123**	655,221	**21,132**	305,693
Fixed deposits pledged with licensed banks	**1,056,564**	1,075,044	**-**	50,000
Cash held under housing development accounts	**631,561**	659,646	**-**	-
Short term funds	**27,254,719**	3,939	**22,853,461**	-
	29,725,967	2,393,850	**22,874,593**	355,693
Less: Fixed deposits pledged with licensed banks	**(1,056,564)**	(1,075,044)	**-**	(50,000)
	28,669,403	1,318,806	**22,874,593**	305,693

Notes to the Financial Statements

1. CORPORATE INFORMATION

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

The registered office and principal place of business of the Company is located at 1st Floor, No.118, Jalan Semangat, 46300 Petaling Jaya, Selangor Darul Ehsan.

The principal activity of the Company is property development, investment holdings and provision of management services. The principal activities of its subsidiary companies are disclosed in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards ("FRSs") and the requirements of the Companies Act, 2016 in Malaysia. The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the significant accounting policies below.

Adoption of new and amended standards and IC Interpretation

During the financial year, the Group and the Company have adopted the following Amendments to FRSs and IC Interpretation issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for the current financial year:

FRS 14	Regulatory Deferral Accounts
Amendments to FRS 11	Accounting for Acquisitions of Interested in Joint Operations
Amendments to FRS 10, FRS 12 and FRS 128	Investment Entities: Applying the Consolidation Exception
Amendments to FRS 101	Disclosure Initiative
Amendments to FRS 116 and FRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to FRS 127	Equity Method in Separate Financial Statements
Annual Improvements to FRSs 2012-2014 Cycle	

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

Standards issued but not yet effective

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

		Effective dates for financial years beginning on or after
Amendment to FRS 107	Disclosure Initiative	1 January 2017
Amendments to FRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Annual Improvements to FRSs 2014 – 2016 Cycle:		
Amendments to FRS 12		1 January 2017
Amendments to FRS 1		1 January 2018
Amendments to FRS128		1 January 2018

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

		Effective dates for financial years beginning on or after
FRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
Amendments to FRS 2	Classification and measurement of Share-based payment Transactions	1 January 2018
Amendments to FRS 140	Transfers of Investment Property	1 January 2018
Amendments to FRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018 *
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to FRS 10 and FRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

Note:

* *Entities that meet the specific criteria in FRS 4, paragraph 20B, may choose to defer the application of FRS 9 until that earlier of the application of the forthcoming insurance contracts standard or annual periods beginning before 1 January 2021.*

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

The initial application of the abovementioned FRSs is not expected to have any significant impact on the financial statements of the Group and of the Company except as mentioned below:

<u>FRS 9 *Financial Instruments* (IFRS 9 issued by IASB in July 2014)</u>

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

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

The adoption of FRS 9 will result in a change in accounting policy. The Group and the Company are currently examining the financial impact of adopting FRS 9.

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (Cont'd)

New Malaysian Financial Reporting Standards ("MFRS Framework") issued but not yet effective

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework"). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual years beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 *Agriculture* and IC Interpretation 15 *Agreements for Construction of Real Estate*, including its parent, significant investor and venturer (hereinafter called "Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework and continue to use the existing FRS Framework. The adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual years beginning on or after 1 January 2018.

The Group and the Company fall within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in their first MFRS financial statements for the financial year ending 31 March 2019. In presenting their first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of the MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

The Group and the Company have not completed its assessment of the financial effects of the differences between FRSs and accounting standards under the MFRS Framework. Accordingly, the consolidated and separate financial performance and financial position as disclosed in these financial statements for the financial year ended 31 March 2017 could be different if prepared under the MFRS Framework.

(b) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM") which is the Group's and the Company's functional currency and all values have been rounded to the nearest RM except when otherwise stated.

(c) Significant accounting judgements, estimates and assumptions

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

Judgments

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

Key sources of estimation uncertainty

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

(i) Useful lives of property, plant and equipment

The Group regularly review the estimated useful lives of property, plant and equipment based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment would increase the recorded depreciation and decrease the value of property, plant and equipment. The carrying amount at the reporting date for property, plant and equipment are disclosed in Note 4.

2. BASIS OF PREPARATION (CONT'D)

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

Key sources of estimation uncertainty (Cont'd)

(ii) Revaluation of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The Group engaged an independent valuation specialist to assess fair value as at 31 March 2017 for investment properties and revalued land and buildings. For investment properties, a valuation methodology based on sales comparison approach was used. In addition, it measures land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. Land was valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property. The fair value of buildings was determined using the cost approach that reflects the cost to a market participant to construct assets of comparable utility and age, adjusted for obsolescence.

The key assumptions used to determine the fair value of the properties are provided in Note 6.

(iii) Property development costs

The Group recognises property development revenue and expenses in the statements of profit or loss and other comprehensive income by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred, for work performed to date bear to the estimated total property development costs. Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred the estimated total property development revenue and costs, as well as the recoverability of the development projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists. The carrying amount of the Group's property development costs at the reporting date is disclosed in Note 8.

(iv) Impairment of investment in subsidiary companies

The Company carried out the impairment test based on the estimation of the higher of the value-in-use or the fair value less costs of disposal of the cash-generating units to which the investments in subsidiary companies belong to. Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the cash-generating units and also to determine a suitable discount rate in order to calculate the present value of those cash flows. An impairment loss is recognised immediately in the profit or loss if the recoverable amount is less than the carrying amount. The carrying amount at the reporting date for investment in subsidiary companies is disclosed in Note 5.

(v) Impairment of loans and receivables

The Group assesses at end of each reporting year whether there is any objective evidence that a receivables is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the receivables 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 of assets with similar credit risk characteristics. The carrying amount at the reporting date for loan and receivables are disclosed in Notes 9, 10 and 11.

(vi) Impairment of goodwill on consolidation

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

2. BASIS OF PREPARATION (CONT'D)

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

Key sources of estimation uncertainty (Cont'd)

(vii) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Details of deferred tax assets are disclosed in Note 18.

(viii) Income taxes

Judgment is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made. Details of income taxes expense are disclosed in Note 26.

3. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of consolidation

(i) Subsidiary companies

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (Cont'd)

(i) Subsidiary companies (Cont'd)

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiary companies have been changed to ensure consistency with the policies adopted by the Group.

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

(i) Changes in ownership interests in subsidiary companies without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary company is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(ii) Disposal of subsidiary companies

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

(iii) Goodwill on consolidation

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Property, plant and equipment

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

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour.

For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

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

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss. On disposal of a revalued asset, the amounts in revaluation reserve relating to those assets are transferred to retained profits.

(ii) Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property and accounted for in accordance with Note 6.

(iii) Subsequent costs

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

(iv) Depreciation

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

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

Buildings	50 years
Plant and equipment	3 - 10 years
Motor vehicles	5 years
Renovations	5 years

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

(i) Land held for property development

Land held for property development consists of land held for future development activities where no development activities has been undertaken or where development activities are not expected to be completed within normal operating cycle. Such land is classified as non-current asset and is stated at cost less any accumulated impairment losses. The policy of recognition and measurement of impairment is in accordance with Note 3(i).

Land held for property development is reclassified as current asset when the development activities have commenced or development activities are expected to commence within the year of twelve months after the end of financial year and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

(ii) Property development costs

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

Property development costs shall be classified as non-current asset where no development activities have been carried out or development activities are not expected to commence within the year of twelve months after the end of financial year or where development activities are not expected to be completed within the normal operating cycle.

Property development costs shall be reclassified to current asset when the development activities have been commenced or development activities are expected to commence within the year of twelve months after the end of financial year or where the activities are expected to be completed within the normal operating cycle.

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

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

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

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

When the revenue recognised in the profit or loss exceeds billings to purchasers, the balance is shown as accrued billings under current assets. When the billings to purchasers exceed the revenue recognised in the profit or loss, the balance is shown as progress billings under current liabilities.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Investment properties

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

Investment properties are measured initially at cost and subsequently at fair value with any changes therein recognised in profit or loss for the period in which they arise. Where the fair value of the investment property under construction is not reliably determinable, the investment property under construction is measured at cost until either its fair value becomes reliably determinable or construction is complete, whichever is earlier.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. Upon disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

(e) Financial assets

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

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

The Group and the Company classify their financial assets depends on the purpose for which the financial assets were acquired at initial recognition, into the following category:

Loans and receivables

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Non-current assets (or disposal groups) held for sale and discontinued operation

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Such non-current assets (or disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group). Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or
- is a subsidiary acquired exclusively with a view to resale

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income is re-represented as if the operation had been discontinued from the start of the comparative year.

(g) Construction costs

Construction contracts are contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the year of contract as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting year. The stage of completion method is determined by the proportion that contract costs incurred for work performed to date bear to the estimated total contract cost.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that is probable recoverable and contract costs are recognised as expenses in the year in which they are incurred.

Irrespective whether the outcome of a construction contract can be estimated reliably, when it is probable that contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

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

The aggregate of the costs incurred and the profit or loss recognised on each contract is compared against the progress billings up to the year end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is presented as amounts due from contract customers. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is presented as amounts due to contract customers.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Cash and cash equivalents

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

(i) Impairment of assets

(i) Non-financial assets

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

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

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

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

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior years are assessed at the end of each reporting year for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Impairment of assets (Cont'd)

(ii) Financial assets

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

Financial assets carried at amortised cost

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

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

If in a subsequent year, 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 (such as an improvement in the receivable's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

Unquoted equity securities carried at cost

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

(j) Share capital

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 nominal value of shares issued. Ordinary shares are classified as equity.

Dividend distribution to the Company's shareholders is recognised as a liability in the period they are approved by the Board of Directors except for the final dividend which is subject to approval by the Company's shareholders.

(k) Financial liabilities

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Financial liabilities (Cont'd)

The Group and the Company classify their financial liabilities at initial recognition, into the following categories:

(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 into this category upon initial recognition.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivatives financial instruments that are not designated as effective hedging instruments. Separated embedded derivatives are also categorised as held for trading unless they are designated as effective hedging instruments.

Gains or losses on financial liabilities held for trading are recognised in profit or loss.

(ii) Other financial liabilities measured at amortised cost

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

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

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

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

(iii) Derecognition of financial liabilities

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

(l) Offsetting of financial instruments

A financial asset and a financial liability is offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(m) Provision

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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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 of 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 year of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group as 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.

(o) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or asset or the arrangement conveys a right to use the asset, even if that right is not explicitly specific in an arrangement.

(i) Finance lease

Leases in terms of which the Group or the Company assumes substantially all the risks and rewards of ownership are classified as finance lease. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between 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 recognised in finance costs in the profit or loss. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Leasehold land which in substance is a finance lease is classified as a property, plant and equipment.

(ii) Operating lease

Leases, where the Group or the Company does not assume substantially all the risks and rewards of ownership are classified as operating leases and, except for property interest held under operating lease, the leased assets are not recognised in the statement of financial position. Property interest held under an operating lease, which is held to earn rental income or for capital appreciation or both, is classified as investment property.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting year in which they are incurred.

(p) Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably.

(i) Property development

Revenue derived from property development activities is recognised based on the percentage of completion method. The stage of completion is determined based on the total actual costs incurred to date over the estimated total property development costs.

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Revenue recognition (Cont'd)

(ii) Construction contracts

Revenue from work done on construction contracts is recognised based on the percentage of completion method. The stage of completion is determined based on the total actual costs incurred to date over the estimated total contract costs.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised as an expense in the year in which they are incurred.

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

(iii) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(iv) Interest income

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

(v) Management fee

Management fee is recognised on accrual basis when services are rendered.

(q) Contingencies

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

(r) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the assets, which are assets that necessarily take a substantial year of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. All other borrowing costs are recognised in profit or loss in the year in which 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.

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Segment reporting

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

(t) Income taxes

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

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

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

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting year, except for investment properties carried at fair value model. Where investment properties measured using fair value model, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying amounts at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. Deferred tax assets and liabilities are not discounted.

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

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

(u) Employee benefits

(i) Short term employee 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 of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur. The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting year.

(ii) Defined contribution plans

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

4. PROPERTY, PLANT AND EQUIPMENT

	Buildings RM	Plant and equipment RM	Motor Vehicles RM	Renovations RM	Total RM
Group					
Cost					
At 1 April 2016	201,757	1,774,888	1,401,478	419,383	3,797,506
Additions	-	8,135	-	-	8,135
Disposals	-	-	(128,493)	-	(128,493)
At 31 March 2017	**201,757**	**1,783,023**	**1,272,985**	**419,383**	**3,677,148**
Accumulated depreciation					
At 1 April 2016	201,754	1,680,219	867,341	419,383	3,168,697
Charge for the financial year	-	61,263	269,889	-	331,152
Disposals	-	-	(77,095)	-	(77,095)
At 31 March 2017	**201,754**	**1,741,482**	**1,060,135**	**419,383**	**3,422,754**
Carrying amount					
At 31 March 2017	**3**	**41,541**	**212,850**	**-**	**254,394**
Cost					
At 1 January 2015	201,757	1,740,974	1,401,478	419,383	3,763,592
Additions	-	33,914	-	-	33,914
At 31 March 2016	201,757	1,774,888	1,401,478	419,383	3,797,506
Accumulated depreciation					
At 1 January 2015	201,754	1,580,911	689,261	419,383	2,891,309
Charge for the financial period	-	99,308	178,080	-	277,388
At 31 March 2016	201,754	1,680,219	867,341	419,383	3,168,697
Carrying amount					
At 31 March 2016	3	94,669	534,137	-	628,809

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

	Buildings RM	Plant and equipment RM	Motor Vehicles RM	Renovations RM	Total RM
Company					
Cost					
At 1 April 2016	201,757	1,724,685	542,383	419,383	2,888,208
Additions	-	2,955	-	-	2,955
At 31 March 2017	**201,757**	**1,727,640**	**542,383**	**419,383**	**2,891,163**
Accumulated depreciation					
At 1 April 2016	201,754	1,635,403	408,357	419,383	2,664,897
Charge for the financial year	-	57,645	134,025	-	191,670
At 31 March 2017	**201,754**	**1,693,048**	**542,382**	**419,383**	**2,856,567**
Carrying amount					
At 31 March 2017	**3**	**34,592**	**1**	**-**	**34,596**
Cost					
At 1 January 2015	201,757	1,696,271	542,383	419,383	2,859,794
Additions	-	28,414	-	-	28,414
At 31 March 2016	201,757	1,724,685	542,383	419,383	2,888,208
Accumulated depreciation					
At 1 January 2015	201,754	1,538,263	400,107	419,383	2,559,507
Charge for the financial period	-	97,140	8,250	-	105,390
At 31 March 2016	201,754	1,635,403	408,357	419,383	2,664,897
Carrying amount					
At 31 March 2016	3	89,282	134,026	-	223,311

5. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	31.3.2017 RM	**31.3.2016 RM**
Unquoted shares, at cost		
In Malaysia	**467,845,004**	467,845,004
Less: Accumulated impairment	**(2,017,344)**	(2,017,344)
	465,827,660	465,827,660

Movements in impairment on investment in subsidiary companies are as follows:

	Company	
	31.3.2017 RM	**31.3.2016 RM**
At the beginning/end of financial year/period	**2,017,344**	2,017,344

5. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

Details of the subsidiary companies are as follows:

Name of Company	Country of Incorporation	Effective Equity Interest 31.3.2017	31.3.2016	Principal Activities
Lembah Langat Development Sdn. Bhd.	Malaysia	**100%**	100%	Property investment and development
PTB Horticulture Farm Sdn. Bhd.	Malaysia	**100%**	100%	Property investment and development
Golden Domain Development Sdn. Bhd.	Malaysia	**100%**	100%	Investment holding, property investment and development
Majurama Developments Sdn. Bhd.	Malaysia	**100%**	100%	Property development
Magilds Park Sdn. Bhd.	Malaysia	**100%**	100%	Property development
PTB Development Sdn. Bhd.	Malaysia	**100%**	100%	Property development
Petaling Ventures Sdn. Bhd.	Malaysia	**100%**	100%	Property investment and development
Golden Domain Holdings Sdn. Bhd.	Malaysia	**100%**	100%	Investment holding
PTB Clay Products Sdn. Bhd.	Malaysia	**100%**	100%	Dormant
Ukaylake Country Club Bhd	Malaysia	**100%**	100%	Dormant

6. INVESTMENT PROPERTIES

	Group		Company	
	31.3.2017 RM	**31.3.2016 RM**	**31.3.2017 RM**	**31.3.2016 RM**
At 1 April 2016/1 January 2015	**155,579,174**	155,527,174	**4,026,020**	4,026,020
Fair value adjustment	**5,793,526**	-	**(826,020)**	-
Addition	**-**	52,000	**-**	-
At 31 March 2017	**161,372,700**	155,579,174	**3,200,000**	4,026,020
Included in the above are:				
At fair value				
Leased land	**116,372,700**	116,041,154	**-**	-
Land and buildings	**45,000,000**	39,538,020	**3,200,000**	4,026,020
	161,372,700	155,579,174	**3,200,000**	4,026,020

(a) Long term leased land

The long term leased land has an unexpired lease period of more than 50 years and is held under a master title jointly with other land owners which include a major shareholder's related companies.

6. INVESTMENT PROPERTIES (CONT'D)

(b) Fair value basis of investment properties

The investment properties are valued annually at fair value based on market values determined by independent qualified valuers amounting to RM161,372,700. The fair values are within level 2 of the fair value hierarchy. The fair values have been derived using the sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size.

The increase in the fair values of RM5,793,526 has been recognised in the profit or loss during the financial year.

The valuation approach has been changed from discounted cash flow analysis and residual method in previous year to sales comparison approach during the financial year.

(c) Income and expenses recognised in profit or loss

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

	Group	
	1.4.2016 to 31.3.2017 RM	**1.1.2015 to 31.3.2016 RM**
Rental income	**(2,398,800)**	(2,998,500)
Direct operating expenses		
- Income generating investment properties	**140,746**	247,010

(d) Investment properties pledged as security to a financial institution amounting to RM26,000,000 (31.3.2016: RM22,052,000). This banking facility has been fully settled since the last financial period ended 31 March 2016, and the security is currently being discharged.

7. LAND HELD FOR PROPERTY DEVELOPMENT

	Group		Company	
	31.3.2017 RM	**31.3.2016 RM**	**31.3.2017 RM**	**31.3.2016 RM**
Freehold land, at cost				
At 1 April 2016/1 January 2015/31 March 2017	**29,588,108**	29,588,108	**-**	-
Long term leased/leasehold land, at cost				
At 1 April 2016/1 January 2015	**172,309,238**	180,860,583	**38,631,942**	38,631,942
Disposal	**-**	(8,946,082)	**-**	-
Transfer to non-current assets classified as held for sale (Note 14)	**-**	(6,553,918)	**-**	-
Transfer from property development costs (Note 8)	**-**	6,948,655	**-**	-
At 31 March 2017	**172,309,238**	172,309,238	**38,631,942**	38,631,942

7. LAND HELD FOR PROPERTY DEVELOPMENT (CONT'D)

	Group		Company	
	31.3.2017 RM	31.3.2016 RM	31.3.2017 RM	31.3.2016 RM
Development cost				
At 1 April 2016/1 January 2015	**27,841,493**	15,867,249	-	-
Addition	**338,529**	547,019	-	-
Transfer from property development costs (Note 8)	-	11,574,749	-	-
Transfer to non-current assets classified as held for sale (Note 14)	-	(147,524)	-	-
At 31 March 2017	**28,180,022**	27,841,493	-	-
Total land held for property development	**230,077,368**	229,738,839	**38,631,942**	38,631,942

The master land title to the freehold land in which the Group has beneficial interest is still held under the name of the previous proprietor.

Certain long term leased land with a carrying amount of RM153,599,153 (31.3.2016: RM153,599,153) is held under a master title jointly with other land owners which include a major shareholder's related companies.

8. PROPERTY DEVELOPMENT COSTS

	Note	Group 31.3.2017 RM	Group 31.3.2016 RM
Freehold land, at cost			
At 1 April 2016/1 January 2015/31 March 2017		**3,961,858**	3,961,858
Long term leasehold land, at cost			
At 1 April 2016/1 January 2015		**9,777,139**	16,725,794
Less: Transfer to land held for property development (Note 7)		-	(6,948,655)
At 31 March 2017		**9,777,139**	9,777,139
Total land costs		**13,738,997**	13,738,997
Development costs			
At 1 April 2016/1 January 2015		**59,984,341**	71,533,343
Addition		-	25,747
Less: Transfer to land held for property development (Note 7)		-	(11,574,749)
At 31 March 2017		**59,984,341**	59,984,341
Total property development costs		**73,723,338**	73,723,338
Less: Cost recognised as an expense in profit or loss			
At 1 April 2016/1 January 2015		**73,723,338**	79,162,913
Addition	(a)	-	(5,439,575)
At 31 March 2017		**73,723,338**	73,723,338
		-	-

(a) The cost amounted to RM5,439,575 in the financial period ended 31 March 2016 was in respect of rescission of sales of 32 units of commercial development due to change in development project planning in a subsidiary company. The settlement has been agreed upon between the subsidiary company and the purchasers in the previous financial period.

9. TRADE RECEIVABLES

	Group	
	31.3.2017	**31.3.2016**
	RM	**RM**
Trade receivables		
- Third parties	**7,896,907**	38,758,414
- Amount due from contract customers	**83,310**	83,310
	7,980,217	38,841,724
Less: Accumulated impairment losses	**(5,109,270)**	(105,016)
At 31 March 2017	**2,870,947**	38,736,708

Trade receivables are non-interest bearing and are generally on 14 to 90 days (31.3.2016: 14 to 90 days) term. They are recognised at their original invoices amounts which represent their fair values on initial recognition.

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

	Group	
	31.3.2017	**31.3.2016**
	RM	**RM**
At 1 April 2016/1 January 2015	**105,016**	105,016
Impairment losses recognised	**5,004,254**	-
At 31 March 2017	**5,109,270**	105,016

Analysis of the trade receivables aging as at the end of the financial year/period is as follows:

	Group	
	31.3.2017	**31.3.2016**
	RM	**RM**
Neither past due nor impaired	**2,715,404**	38,599,097
Past due but not impaired		
Less than 30 days	**72,233**	13,722
31 to 60 days	**-**	13,450
61 to 90 days	**-**	9,540
More than 90 days	**-**	17,589
	72,233	54,301
	2,787,637	38,653,398
Impaired	**5,109,270**	105,016
	7,896,907	38,758,414

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

As at 31 March 2017, trade receivables of RM72,233 (31.3.2016: RM54,301) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default.

The trade receivables of the third parties that are individually assessed to be impaired amounting to RM5,025,960 (31.3.2016: RM105,016), related to customers that are in financial difficulties, have defaulted on payments and/or have disputed on the billings. These balances are expected to be recovered through the debts recovery process.

Included in trade receivables are amount due from contract customers which has been fully impaired with impairment amount of RM83,310 (31.3.2016: Nil).

10. OTHER RECEIVABLES

	Group		Company	
	31.3.2017 RM	31.3.2016 RM	31.3.2017 RM	31.3.2016 RM
Other receivables	**859,228**	818,567	**-**	-
Deposits	**631,093**	573,647	**74,559**	74,559
Prepayments	**586,377**	570,725	**-**	53,189
	2,076,698	1,962,939	**74,559**	127,748
Less: Accumulated impairment losses	**(212,296)**	(202,789)	**-**	-
	1,864,402	1,760,150	**74,559**	127,748

Included in deposits are infrastructure and utilities deposits.

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

	Group	
	31.3.2017 RM	31.3.2016 RM
At 1 April 2016/ 1 January 2015	**202,789**	202,789
Impairment loss recognised	**9,507**	-
At 31 March 2017	**212,296**	202,789

11. AMOUNT OWING BY/(TO) SUBSIDIARY COMPANIES

The amounts owing by/(to) subsidiary companies are unsecured, interest-free and repayable upon demand.

12. FIXED DEPOSITS WITH LICENSED BANKS

	Group		Company	
	31.3.2017 RM	31.3.2016 RM	31.3.2017 RM	31.3.2016 RM
Fixed deposits with licensed banks	**1,056,564**	1,075,044	**-**	50,000

The fixed deposits are pledged as security for bank guarantee facilities granted to the Group and to the Company and hence, are not freely available for use.

The fixed deposits carry interest at rates ranging from 2.75% to 3.10% (31.3.2016: 2.68% to 3.30%) per annum and have maturity periods ranging from 3 months to 12 months (31.3.2016: 3 months to 12 months).

13. CASH AND BANK BALANCES

Included in cash and bank balances of the Group is an amount of RM631,561 (31.3.2016: RM659,646) deposited into the Housing Development Accounts in accordance with Section 7A of the Housing Development (Control and Licensing) Act, 1966.

Cash held under Housing Development Account represents monies received from purchasers of residential properties less payments or withdrawals in accordance with the Housing Development (Control and Licensing) Act, 1966, which are restricted for certain usage as prescribed by the relevant authorities.

The cash held under Housing Development Accounts carry interest at 2.20 % (31.3.2016: 2.20%) per annum.

14. NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	Group	
	31.3.2017 RM	31.3.2016 RM
At 1 April 2016/ 1 January 2015	**6,701,442**	-
Transfer from land held for property development (Note 7)	**-**	6,701,442
Disposal	**(6,701,442)**	-
At 31 March 2017	**-**	6,701,442

On 29 December 2015, PTB Development Sdn. Bhd., a wholly-owned subsidiary company, entered into two separate sale and purchase agreements with Ringgit Muhibbah Sdn. Bhd. for the disposal of development land located at Mukim Ulu Yam, District of Ulu Selangor, for a total cash consideration of RM45.59 million. The transaction has been completed as at the financial year end.

15. SHARE CAPITAL

	Group/Company			
	Number of Shares		Amount	
	31.3.2017 Unit	31.3.2016 Unit	31.3.2017 RM	31.3.2016 RM
Ordinary shares				
Authorised	**-**	500,000,000	**-**	500,000,000
Issued and fully paid	**346,102,679**	346,102,679	**346,102,679**	346,102,679

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

16. RESERVES

		Group		Company	
	Note	31.3.2017 RM	31.3.2016 RM	31.3.2017 RM	31.3.2016 RM
Accumulated Losses		**(34,800,311)**	(27,701,131)	**(58,453,542)**	(55,849,078)
Non-distributable					
Revaluation reserve	(a)	**2,970,467**	2,970,467	**-**	-
Share premium	(b)	**43,953,998**	43,953,998	**43,953,998**	43,953,998
Other reserves		**3,526,514**	3,526,514	**4,519,264**	4,519,264
		50,450,979	50,450,979	**48,473,262**	48,473,262
		15,650,668	22,749,848	**(9,980,280)**	(7,375,816)

(a) The revaluation reserve relates to the revaluation of land held for property development prior to the adoption of FRS 201 *Property Development Activities.*

(b) This reserve comprises premium paid on subscription of shares of the Company above par value of the shares.

17. TREASURY SHARES

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.

	Group/Company			
	Number of Shares		Amount	
	31.3.2017 Unit	31.3.2016 Unit	31.3.2017 RM	31.3.2016 RM
At 1 April 2016/1 January 2015/31 March 2017	**271,700**	271,700	**(68,236)**	(68,236)

There were no resale, cancellation or distribution of treasury shares during the financial year.

18. DEFERRED TAX LIABILITIES

	Group	
	31.3.2017 RM	31.3.2016 RM
At 1 April 2016/1 January 2015	**31,524,143**	33,975,809
Recognised in profit or loss (Note 26)	**393,971**	(1,662,356)
Recognised in other comprehensive income	**-**	(789,310)
At 31 March 2017	**31,918,114**	31,524,143

The net deferred tax assets and liabilities shown on the statement of financial position after appropriate offsetting are as follows:

	Group	
	31.3.2017 RM	31.3.2016 RM
Group		
Deferred tax liabilities	**32,633,114**	32,239,265
Deferred tax assets	**(715,000)**	(715,122)
	31,918,114	31,524,143

The components and movements of deferred tax liabilities and assets are as follows:

	Fair value adjustment on investment properties RM	Revaluation surplus on development properties RM	Total RM
Deferred tax liabilities			
At 1 April 2016	9,592,066	22,647,199	32,239,265
Recognised in profit or loss	393,849	-	393,849
At 31 March 2017	**9,985,915**	**22,647,199**	**32,633,114**
At 1 January 2015	10,717,256	23,258,675	33,975,931
Recognised in profit or loss	-	437,068	437,068
Recognised in other comprehensive income	-	(789,310)	(789,310)
Changes in tax rate	(1,125,190)	(259,234)	(1,384,424)
At 31 March 2016	9,592,066	22,647,199	32,239,265

18. DEFERRED TAX LIABILITIES (CONT'D)

The components and movements of deferred tax liabilities and assets are as follows (Cont'd):

	Unutilised tax losses and capital allowances RM	Total RM
Deferred tax assets		
At 1 April 2016	(715,122)	(715,122)
Recognised in profit or loss	122	122
At 31 March 2017	**(715,000)**	**(715,000)**
At 1 January 2015	(122)	(122)
Recognised in profit or loss	(715,000)	(715,000)
At 31 March 2016	(715,122)	(715,122)

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

	Group		Company	
	31.3.2017 RM	31.3.2016 RM	31.3.2017 RM	31.3.2016 RM
Unutilised tax losses	**44,363,698**	26,365,562	**14,036,403**	12,744,797
Unabsorbed capital allowances	**96,969**	93,973	**-**	-
	44,460,667	26,459,535	**14,036,403**	12,744,797

19. TRADE PAYABLES

	Group	
	31.3.2017 RM	31.3.2016 RM
Trade payables - third parties	**19,281,991**	8,186,969

Credit terms of trade payables of the Group ranged from 30 to 60 days (31.3.2016: 30 to 60 days) depending on the terms of the contracts.

20. OTHER PAYABLES

	Group		Company	
	31.3.2017 RM	31.3.2016 RM	31.3.2017 RM	31.3.2016 RM
Other payables	**6,760,345**	8,897,459	**4,780,136**	6,754,303
Accruals	**1,237,676**	1,069,377	**270,868**	614,630
Deposit received	**845,887**	865,328	**42,422**	42,422
	8,843,908	10,832,164	**5,093,426**	7,411,355

Included in other payables of the Group and the Company is an amount of RM4,400,000 (31.3.2016: RM4,400,000) owing to a shareholder which is non-trade in nature, unsecured, interest free, repayable on demand and expected to be settled in cash.

Included in deposits received of the Group is a refundable deposit from a major shareholder's related company amounting to RM41,400 (31.3.2016: RM41,400).

21. PROVISIONS

	Group RM
Infrastructure and development cost	
At 1 April 2016	2,315,391
Utilised during the financial year	(9,366)
At 31 March 2017	**2,306,025**
At 1 January 2015	2,344,914
Utilised during the financial period	(29,523)
At 31 March 2016	2,315,391

The provision for infrastructure and development costs is made based on the management's best estimate in respect of development properties sold of which the Group has either constructive or contracture obligation to incur the said expenses. These expenses are expected to be incurred within the normal operating cycles of the relevant developments.

22. REVENUE

	Group		Company	
	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM
Sale of land held for property development	**18,953,446**	25,301,880	**-**	-
Sale of completed properties	**171,950**	-	**-**	-
Rental income from investment properties	**2,398,800**	2,998,500	**-**	-
Management fees	**-**	-	**-**	2,040,195
Others	**-**	498,770	**-**	-
	21,524,196	28,799,150	**-**	2,040,195

23. DIRECT COSTS

	Group	
	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM
Cost of land held for property development	**6,727,130**	8,946,082
Direct operating costs from revenue generating investment properties	**140,746**	247,010
	6,867,876	9,193,092

24. FINANCE COSTS

	Group		Company	
	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM
Interest expenses on:				
Term loans	**-**	43,676	**-**	-
Finance lease	**-**	26,487	**-**	2,608
	-	70,163	**-**	2,608

25. (LOSS)/PROFIT BEFORE TAXATION

(a) (Loss)/Profit before taxation is derived at after charging/(crediting):

	Group		Company	
	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM
Auditors' remuneration				
- statutory - current year	**79,240**	86,000	**43,000**	43,000
- underprovision in prior years	**1,923**	5,075	**5,000**	5,000
Directors' remuneration	**675,504**	845,155	**675,504**	845,155
Depreciation of property plant and equipment	**331,152**	277,388	**191,670**	105,390
Fair value adjustment on investment properties	**(5,793,526)**	-	**826,020**	-
Loss on disposal of property, plant and equipment	**42,398**	-	**-**	-
Rental of office equipment	**11,645**	6,536	**6,426**	6,536
Rental of premises	**6,356**	9,000	**7,968**	-
Personnel expenses				
- contribution to defined contribution plan	**228,017**	304,947	**33,141**	304,947
- salaries and others	**2,423,522**	2,828,039	**394,120**	2,828,039
Penalty waived	**(1,348,130)**	-	**-**	-
Interest income	**(1,219,457)**	(348,570)	**(580,351)**	(2,709)
Interest expense	**-**	70,163	**-**	2,608
Impairment loss on				
- trade receivables	**5,004,254**	-	**-**	-
- other receivables	**9,507**	-	**-**	-
Rental income	**(30,000)**	(90,150)	**-**	-

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

(b) Information regarding compensation of Directors and key management personnel is as follows:

	Group		Company	
	1.4.2016 to 31.3.2017 RM	**1.1.2015 to 31.3.2016 RM**	**1.4.2016 to 31.3.2017 RM**	**1.1.2015 to 31.3.2016 RM**
Executive Directors				
- Salaries, and other emoluments	**399,504**	500,155	**399,504**	500,155
Non Executive Directors				
- Fees	**276,000**	345,000	**276,000**	345,000
	675,504	845,155	**675,504**	845,155

26. TAXATION

	Group		Company	
	1.4.2016 to 31.3.2017 RM	**1.1.2015 to 31.3.2016 RM**	**1.4.2016 to 31.3.2017 RM**	**1.1.2015 to 31.3.2016 RM**
Current Tax				
Malaysian tax				
- Current year/period	**3,063,222**	4,091,831	-	-
Underprovision in prior year/period	**8,269**	180,923	-	-
	3,071,491	4,272,754	-	-
Deferred Tax (Note 18)				
Tax effect on fair value changes of investment properties	**393,971**	-	-	-
Relating to origination and reversal of temporary differences	-	(277,932)	-	-
Changes in tax rate	-	(1,384,424)	-	-
	393,971	(1,662,356)	-	-
	3,465,462	2,610,398	-	-

Income tax relating to items of other comprehensive income that may not be reclassified to profit or loss.

	Group		Company	
	1.4.2016 to 31.3.2017 RM	**1.1.2015 to 31.3.2016 RM**	**1.4.2016 to 31.3.2017 RM**	**1.1.2015 to 31.3.2016 RM**
Deferred tax related to realisation of revaluation surplus on sale of development properties	-	789,310	-	-

Income tax is calculated at the statutory tax rate of 24% (31.3.2016: 24%) of the estimated assessable profit for the financial year.

26. TAXATION (CONT'D)

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

	Group		Company	
	1.4.2016 to 31.3.2017 RM	**1.1.2015 to 31.3.2016 RM**	**1.4.2016 to 31.3.2017 RM**	**1.1.2015 to 31.3.2016 RM**
(Loss)/Profit before taxation	**(3,633,718)**	10,687,171	**(2,604,464)**	(2,652,342)
At Malaysia statutory rate of 24% (31.3.2016: 24%)	**(872,085)**	2,564,928	**(625,071)**	(636,562)
Reduction in tax rate	**-**	(1,384,424)	**-**	-
Income not subject to income tax	**(1,555,244)**	(117,983)	**-**	-
Expenses not deductible for tax purposes	**1,028,626**	482,101	**175,802**	71,508
Utilisation of previously unrecognised deferred tax assets	**141,686**	119,264	**139,284**	119,878
Tax affect on fair value changes of investment properties	**393,971**	-	**-**	-
Tax affect on revaluation surplus on development properties	**-**	(277,932)	**-**	-
Under provision in prior year/period	**8,269**	180,923	**-**	-
Deferred tax assets not recognised	**4,320,239**	1,043,521	**309,985**	445,176
	3,465,462	2,610,398	**-**	-

The Group and the Company have estimated unutilised tax losses of RM44,363,700 (31.3.2016: RM26,365,000) and RM14,036,000 (31.3.2016: RM12,745,000) and unabsorbed capital allowances of RM97,000 (31.3.2016: RM94,000) and Nil (31.3.2016: Nil) carried forward respectively, available for offset against future taxable profits of the Group and of the Company.

27. (LOSS)/EARNINGS PER SHARE

The basic (loss)/earnings per share has been calculated by dividing the consolidated (loss)/profit for the financial year/period attributable to the owners of the parent and the weighted average number of ordinary shares in issue during the financial year/period as follows:

	Group	
	1.4.2016 to 31.3.2017 RM	**1.1.2015 to 31.3.2016 RM**
Net (loss)/profit for the financial year/period attributable to owners of the parent	**(7,099,180)**	8,076,773
Weighted average number of ordinary shares in issue		
Issued ordinary shares at 1 April 2016/1 January 2015	**346,102,679**	346,102,679
Effect of treasury shares held	**(271,700)**	(271,700)
Weighted average number of shares as at 31 March 2017	**345,830,979**	345,830,979
Basic (loss)/ earnings per share (sen)	**(2.05)**	2.34

As at the financial year/period, the Company has no potential ordinary shares which are dilutive in nature. Accordingly, the diluted earnings/ (loss) per share is equivalent to the basic earnings/ (loss) per share.

28. SEGMENT INFORMATION

Segment information is presented in respect of the Group's operating segments.

Segment revenue, expenses, assets and liabilities are those amounts from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment.

The Directors are of the opinion that all inter-segment transactions have been entered into normal course of business and have been established under negotiated terms.

Operating Segments

The Group comprises the following two major operating segments:

(i) Property development - property development, contract works and investment property business
(ii) Other operations - investment holding, provision of management services and others

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segments performance is evaluated based on operating profit or loss before taxation.

Segment assets and liabilities information are neither included in the internal management reports nor provided regularly to the management. Hence no disclosures are made on segment assets and liabilities.

	Property Development RM	Other Operations RM	Adjustments and elimination RM	Consolidated RM
1.4.2016 to 31.3.2017				
Revenue				
External revenue	21,524,196	-	-	21,524,196
Inter-segment revenue (Note 28 (a))	31,872	-	(31,872)	-
Total revenue	21,556,068	-	(31,872)	21,524,196
Results				
Segment loss before taxation	(1,001,116)	(2,632,602)	-	(3,633,718)
Interest income	639,106	580,351	-	1,219,457
Depreciation	(139,482)	(191,670)	-	(331,152)
Loss on disposal of property, plant and equipment	(42,398)	-	-	(42,398)
Impairment loss on receivables	(5,007,761)	(6,000)	-	(5,013,761)
Penalty waived	1,348,130	-	-	1,348,130
Fair value adjustment on investment properties	6,619,546	(826,020)	-	5,793,526

28. SEGMENT INFORMATION (CONT'D)

	Property Development RM	Other Operations RM	Adjustments and elimination RM	Consolidated RM
1.1.2015 to 31.3.2016				
Revenue				
External revenue	28,799,150	-	-	28,799,150
Inter-segment revenue (Note 28 (a))	-	2,040,195	(2,040,195)	-
Total revenue	28,799,150	2,040,195	(2,040,195)	28,799,150
Results				
Segment profit/(loss) before taxation	15,398,111	(4,710,940)	-	10,687,171
Interest income	345,862	2,708	-	348,570
Interest expense	(69,124)	(1,039)	-	(70,163)
Depreciation	(171,998)	(105,390)	-	(277,388)

(a) Inter-segment revenue are eliminated on consolidation.

(b) Geographical Information

External customers of the Group are all located in Malaysia.

29. RELATED PARTY DISCLOSURES

(a) Identify of related parties

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

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

The Group and the Company have related party relationship with its subsidiary companies and a major shareholder's related companies.

29. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	Group		Company	
	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM	1.4.2016 to 31.3.2017 RM	1.1.2015 to 31.3.2016 RM
(i) Transactions with subsidiary companies				
Management fee	**-**	-	**-**	(2,040,195)
Office rental	**-**	-	**7,968**	-
(ii) Transactions with companies in which a major shareholder of the Company has substantial financial interest				
Office rental	**207,600**	259,500	**-**	-

(c) Key management personnel's compensation

Key management personnel includes personnel having authority and responsibility for planning, directing and controlling the activities of the entities, directly or indirectly, including any Director of the Group and of the Company.

Key management personnel compensation is disclosed in Note 25.

30. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

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

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

	Loans and Receivables RM
Group	
Financial assets	
31.3.2017	
Trade receivables	**2,870,947**
Other receivables	**1,278,025**
Fixed deposits with licensed banks	**1,056,564**
Cash and bank balances	**28,669,403**
	33,874,939

30. FINANCIAL INSTRUMENTS (CONT'D)

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

	Loans and Receivables RM
Group (Cont'd)	
Financial assets	
31.3.2016	
Trade receivables	38,736,708
Other receivables	1,189,425
Fixed deposits with licensed banks	1,075,044
Cash and bank balances	1,318,806
	42,319,983
Company	
Financial assets	
31.3.2017	
Other receivables	**74,559**
Amount owing by subsidiary companies	**70,773,913**
Fixed deposits with licensed banks	**-**
Cash and bank balances	**22,874,593**
	93,723,065
31.3.2016	
Other receivables	74,559
Amount owing by subsidiary companies	83,374,971
Fixed deposits with licensed banks	50,000
Cash and bank balances	305,693
	83,805,223

(b) Financial risk management objectives and policies

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

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises principally from its trade and other receivables, fixed deposits with licensed bank, cash held under Housing Development Accounts and cash at bank. Fixed deposits with licensed banks, Cash held under Housing Development Account and cash at banks are placed with credit worthy financial institutions.

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. Receivables are monitored on an ongoing basis via Company's management reporting procedures and action will be taken for long outstanding debts. Majority of the receivables are from property development segment. The credit risk is limited as the ownership and rights to the properties revert to the Group in the event of default.

30. FINANCIAL INSTRUMENTS (CONT'D)

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

(i) Credit risk (Cont'd)

The Company provides unsecured loans and advances to subsidiary companies. It also provides unsecured financial guarantees to banks for banking facilities granted to certain subsidiary companies.

The Group's historical experience in collection of trade and other receivables falls within the recorded allowances. Due to these factors, the Directors believe that no additional credit risk beyond amount provided for doubtful debts inherent in the Group's trade and other receivables.

(ii) Liquidity risk

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

The Group's and the Company's funding requirements and liquidity risks is managed with the objective of meeting business obligations on a timely basis. The Group and the Company monitors its cash flows and ensures that sufficient funding is in place to meet the obligations as and when they fall due.

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

	On demand or within 1 year RM	1 - 2 years RM	Total Contractual cash flows RM	Total Carrying amount RM
Group				
31.3.2017				
Trade payables	**19,281,991**	**-**	**19,281,991**	**19,281,991**
Other payables	**8,843,908**	**-**	**8,843,908**	**8,843,908**
	28,125,899	**-**	**28,125,899**	**28,125,899**
31.3.2016				
Trade payables	8,186,969	-	8,186,969	8,186,969
Other payables	10,832,164	-	10,832,164	10,832,164
	19,019,133	-	19,019,133	19,019,133
Company				
31.3.2017				
Other payables	**5,093,426**	**-**	**5,093,426**	**5,093,426**
Amount owing to subsidiary companies	**260,270,549**	**-**	**260,270,549**	**260,270,549**
	265,363,975	**-**	**265,363,975**	**265,363,975**
31.3.2016				
Other payables	7,411,355	-	7,411,355	7,411,355
Amount owing to subsidiary companies	246,498,238	-	246,498,238	246,498,238
	253,909,593	-	253,909,593	253,909,593

30. FINANCIAL INSTRUMENTS (CONT'D)

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

(iii) Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks is exposed to a risk of change in their fair value due to changes in interest rates.

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

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

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

	31.3.2017 RM	31.3.2016 RM
Group		
Fixed rate instruments		
Financial Assets	**1,056,564**	1,075,044
Company		
Fixed rate instruments		
Financial Assets	-	50,000

The Group and the Company are exposed to interest rate risk arising from its short and long term debts obligations, and its fixed deposits. Fixed deposits interest rate is insignificant and any fluctuations in the rate would have no material impact on the results of the Group and of the Company.

Interest rate risk sensitivity

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting year would not affect profit or loss.

A change in 1% interest rate at the end of the reporting year would have increased or decreased the Group's and the Company's profit before tax by RM272,000 and RM228,000 respectively, arising mainly as a result of lower or higher interest income on short terms fund placement. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(c) Fair value of financial instruments

Financial instrument at fair value

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

30. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value of financial instruments (Cont'd)

Financial instrument other than those carried at fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value.

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

31. CAPITAL MANAGEMENT

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

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

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

The Group's and the Company's gearing ratio are measured using total external borrowings over shareholders' equity. As at reporting date, the Group's gearing ratio are as follow:

	Group	
	31.3.2017 **RM**	**31.3.2016** **RM**
Total borrowings and finance lease payables	**-**	-
Less: Fixed deposit with licensed banks	**1,056,564**	1,075,044
Less: cash and bank balances	**28,669,403**	1,318,806
Net cash	**29,725,967**	2,393,850
Total equity	**361,685,111**	368,784,291
Gearing ratio	**N/A**	N/A

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

32. SIGNIFICANT EVENT

On 28 April 2016, the Board of Directors of Petaling Tin Berhad (the "Company" or "PTB") announced through Bursa Malaysia Securities Berhad ("Bursa Securities") that the Company has on even date received a notice of unconditional mandatory take-over offer from Tan Sri Dr Chen Lip Keong ("TSCLK"), a substantial shareholder of the Company, to acquire all the remaining ordinary shares of the Company not already held by TSCLK at a cash consideration of RM0.24 per offer share (the "Offer").

Following the close of the Offer on 9 June 2016, TSCLK holds 82.98% of the total issued and fully paid up share capital (excluding treasury shares) of the Company. Consequently, the Company does not comply with the public shareholding spread requirements as set in Paragraph 8.02(1) of the Listing Requirements of Bursa Securities which stipulates a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders.

33. COMPARATIVE FIGURES

The Group and the Company changed its financial year end from 31 December to 31 March since year 2015. Accordingly, the comparative information stated in the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows and the related notes are not comparable.

34. DATE OF AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements of the Group and of the Company for the financial year ended 31 March 2017 were authorised for issue in accordance with a resolution of the board of Directors on 18 July 2017.

35. SUPPLEMENTARY INFORMATION ON THE DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES

The following analysis of realised and unrealised accumulated losses/ retained profits of the Group and of the Company at 31 March 2017 is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad ("Bursa Securities") 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 accumulated losses/ retained profits of the Group and of the Company as at 31 March 2017 is analysed as follows:

	Group		Company	
	31.3.2017 RM	**31.3.2016 RM**	**31.3.2017 RM**	**31.3.2016 RM**
(Accumulated losses)/Retained profits				
- Realised	**275,665,914**	282,373,169	**(58,453,542)**	(55,849,078)
- Unrealised	**33,568,001**	33,961,972	**-**	-
	309,233,915	316,335,141	**(58,453,542)**	(55,849,078)
Less: Consolidation adjustments	**(344,034,226)**	(344,036,272)	**-**	-
Total accumulated losses	**(34,800,311)**	(27,701,131)	**(58,453,542)**	(55,849,078)

The disclosure of realised and unrealised accumulated losses/retained profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purpose.

List of Group Properties

As at 31 March 2017

	Location	Area (Hectares)	Description	Existing use	Tenure	Age of building	Date of acquisition/ Last revaluation*	Carrying amount (RM'000)
1)	H.S. (M) Title No.2375, 2376 & 2377 Lot P.T. 546, 547 & 548 Mukim of Tanjong Dua Belas District of Kuala Langat Selangor Darul Ehsan	4.5	A detached factory with a single storey office building, generator set building, guardhouse and two (2) parcel of vacant land used as access road	Factory premises	Leasehold 99 years Expiry Year 2076	20	17 May-17*	3,200
2)	H.S. (D) Title No. 39909 Lot P.T. 19694, Mukim of Batu District of Gombak Selangor Darul Ehsan	9.1	Undeveloped parcel of mixed development land	Under development	Leasehold 99 years Expiry Year 2064	-	2 Feb-00	39,927
3)	Title No. PN 32177, 34701, 34702, 34703, 34704, 34705 & 34706 Mukim of Pekan Senawang, District of Seremban Negeri Sembilan Darul Khusus	2.8	Undeveloped parcel of commercial land	Under development	Leasehold 99 years Expiry Year 2088	-	2 Feb-00	4,837
4)	Parcel 31 to 34, being part of Master Title No. Country Lease 045091174 Mukim of Menggatal District of Tuaran, Kota Kinabalu Sabah	607.0	Undeveloped parcels of vacant land	Development land	Leased 99 years Expiry Year 2093	-	22 May-17*	231,340
5)	Parcel 28, being part of Master Title No. Country Lease 045091174, Mukim of Menggatal District of Tuaran, Kota Kinabalu Sabah	25.1	Undeveloped parcel of vacant land	Development land	Leased 99 years Expiry Year 2093	-	22 May-17*	38,632

List of Group Properties

As at 31 March 2017

	Location	Area (Hectares)	Description	Existing use	Tenure	Age of building	Date of acquisition/ Last revaluation*	Carrying amount (RM'000)
6)	Part of Parent Lot No. 7125 Section 2, Geran 247699 Mukim Bandar Ulu Kelang, District of Gombak Selangor Darul Ehsan	5.2	Undeveloped parcel of mixed development land	Under development	Freehold	-	2 Feb-00	31,714
7)	Part of Parent Lot No. 7125 Section 2, Geran 247699 Mukim Bandar Hulu Kelang, District of Gombak Selangor Darul Ehsan	1.1	A double-storey building	Building	Freehold	17	30 May-17*	15,800
8)	Lot No.4 Section 36 Town of Petaling Jaya, Selangor Darul Ehsan	0.8	A four storey office building and annexed single storey warehouse	Office premises	Leasehold 99 years Expiry Year 2060	18	23 May-17*	26,000

Shareholders' Statistics

As at 30 June 2017

ANALYSIS OF SHAREHOLDINGS

Issued & Fully Paid-up Share Capital	:	RM346,102,679.00 divided into 346,102,679 ordinary shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	Every member present in person or by proxy has one (1) vote on a show of hands and on a poll, every member present in person or by proxy has one (1) vote for each share he/she holds

Size of Holdings	No. of Shareholders	No. of Shares	%*
1 - 99	49	1,471	**
100 - 1,000	708	672,867	0.19
1,001 - 10,000	1,649	8,194,810	2.37
10,001 - 100,000	553	18,353,546	5.31
100,001 to less than 5% of issued shares	62	31,636,362	9.15
5% and above of issued shares	1	286,971,923	82.98
Total	**3,022**	**345,830,979**	**100**

* *Excluding a total of 271,700 Petaling Tin Berhad ("PTB") shares bought back by PTB and retained as treasury shares as at 30 June 2017*

** *Negligible*

TOP THIRTY SHAREHOLDERS

No.	Names of Shareholders	No. of Shares	%*
1.	Chen Lip Keong	286,971,923	82.98
2.	Jin Fu	14,541,500	4.20
3.	Quantum Symbol Sdn Bhd	1,770,500	0.51
4.	Lee Vui Lan @ Lee Sam Chit	1,603,000	0.46
5.	Teo Kwee Hock	1,430,000	0.41
6.	RHB Capital Nominees (Tempatan) Sdn Bhd Bien Chin Hwa	1,000,000	0.29
7.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Phoa Boon Ting	730,000	0.21
8.	Sim Chong Wan @ Sim Tan Beg	400,000	0.12
9.	Ngo Seh Tee	350,000	0.10
10.	AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Sua Foong Sin	340,000	0.10
11.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Gan Boon Siew	328,000	0.10

Shareholders' Statistics

As at 30 June 2017

TOP THIRTY SHAREHOLDERS (CONT'D)

No.	Names of Shareholders	No. of Shares	%*
12.	Huang Phang Lye	304,800	0.09
13.	Chea Putheany	293,900	0.09
14.	Mohd Jamel Bin Abdul Munin	293,200	0.08
15.	Lim Ming Lang @ Lim Ming Ann	290,000	0.08
16.	Tee Jin Gee Enterprise Sdn Bhd	275,800	0.08
17.	Malaysia Nominees (Tempatan) Sendirian Berhad Lee Foundation, States of Malaya	264,562	0.08
18.	Ooi Kok Beng	255,000	0.07
19.	Beh Weng Chai	252,000	0.07
20.	Yap Soon Teck	250,000	0.07
21.	AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Sheng Chow	233,600	0.07
22.	Foo Sin Chok	216,000	0.06
23.	Tan Hock Siew	215,000	0.06
24.	Koh Eng Hong	206,000	0.06
25.	Liew Nar	200,000	0.06
26.	Kim Poh Holdings Sdn Bhd	200,000	0.06
27.	Cheng Gek Hong	200,000	0.06
28.	Thew Mooi Chin	200,000	0.06
29.	Yap Mui Cheng Angela	200,000	0.06
30.	JF Apex Nominees (Tempatan) Sdn Bhd AISB For Zaharudin Bin Ariffin	200,000	0.06
Total		**314,014,785**	**90.80**

* *Excluding a total of 271,700 Petaling Tin Berhad ("PTB") shares bought back by PTB and retained as treasury shares as at 30 June 2017*

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

	Number of Ordinary Shares			
Name	Direct Interest	% *	Deemed Interest	% *
Tan Sri Dr Chen Lip Keong	286,971,923	82.98	-	-

* *Excluding a total of 271,700 Petaling Tin Berhad ("PTB") shares bought back by PTB and retained as treasury shares as at 30 June 2017*

DIRECTORS'S SHAREHOLDINGS

Name of Directors	Number of Ordinary Shares			
	Direct Interest	%*	Deemed Interest	%*
Datuk Haji Jaafar Bin Abu Bakar	5,000	**	-	-
Chen Yiy Fon	-	-	-	-
Datuk Wan Kassim Bin Ahmed	-	-	-	-
Dato' Nik Kamaruddin Bin Ismail	-	-	-	-
Lim Mun Kee	-	-	-	-

* Excluding a total of 271,700 Petaling Tin Berhad ("PTB") shares bought back by PTB and retained as treasury shares as at 30 June 2017

** Negligible

Notes

(a) Save as disclosed, none of the directors have any interests in the shares of the Company or its related corporations as at 30 June 2017.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Ninety First (91st) Annual General Meeting of Petaling Tin Berhad will be held at Nexus Resort & Spa Karambunai, Sigunting Conference Room of No. 1, Nexus Drive West, Karambunai, off Jalan Sepangar, Menggatal, 88450 Kota Kinabalu, Sabah, Malaysia on Tuesday, 29 August 2017 at 10.30 a.m. for the following purposes:-

AGENDA

As Ordinary Business:-

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2017 together with the Reports of Directors and Auditors thereon. **(Please refer to Note (a) of the Explanatory Notes)**

2. To approve the payment of Directors' fees and benefits of RM276,000 for the financial year ended 31 March 2017. **Resolution 1**

3. To approve the payment of Directors' fees and benefits of up to RM276,000 for the financial year ending 31 March 2018. **Resolution 2**

4. To re-elect the following directors who are retiring pursuant to Article 80 of the Company's Constitution, and being eligible, offer themselves for re-election:

   (a) Datuk Wan Kassim Bin Ahmed **Resolution 3**

   (b) Datuk Haji Jaafar Bin Abu Bakar **Resolution 4**

5. To appoint Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

   Special Notice pursuant to Section 280(2)(b)(ii) and 322 of the Companies Act 2016, a copy of which is set out in the Annual Report and marked as "Annexure A", has been received by the Company to propose the following Ordinary Resolution:-

   "**THAT** Messrs. Moore Stephens Associates PLT, be hereby appointed as Auditors of the Company in place of the outgoing Auditors, Messrs. UHY, to hold office until the conclusion of the next Annual General Meeting and that authority be hereby given to the Directors of the Company to determine their remuneration."

As Special Business:-

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

6. **Authority to Allot and Issue Shares pursuant to Section 75 and 76 of the Companies Act 2016.** **Resolution 6**

   "**THAT** subject to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Company's Constitution, the Directors of the Company be and are hereby authorised, pursuant to Section 75 and 76 of the Companies Act 2016, to issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares/total number of voting shares of the Company for the time being."

7. **Continuing in Office as Independent Non-Executive Directors**

7.1 "**THAT** subject to the passing of Ordinary Resolution 4, approval be and is hereby given for Datuk Haji Jaafar Bin Abu Bakar, 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 serve as an Independent Non-Executive Director of the Company, in accordance with the Malaysian Code on Corporate Governance 2012 until the conclusion of the next Annual General Meeting." **Resolution 7**

7.2 "**THAT** subject to the passing of Ordinary Resolution 3, approval be and is hereby given for Datuk Wan Kassim Bin Ahmed, 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 serve as an Independent Non-Executive Director of the Company, in accordance with the Malaysian Code on Corporate Governance 2012 until the conclusion of the next Annual General Meeting." **Resolution 8**

7.3 "**THAT** approval be and is hereby given for Mr Lim Mun Kee, 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 serve as an Independent Non-Executive Director of the Company, in accordance with the Malaysian Code on Corporate Governance 2012 until the conclusion of the next Annual General Meeting." **Resolution 9**

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

By Order of the Board

YEW NYUK KWEI, MACS 01247
Company Secretary

Petaling Jaya
31 July 2017

Notice of Annual General Meeting

Notes:-

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and vote in his/her stead. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.

2. The instrument appointing a proxy must be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation, either under its common seal, or the hand of an officer or attorney duly authorised.

3. The instrument appointing a proxy and the power of attorney or other authority (if any) under which the instrument is signed or a notarily certified copy of that power of authority, shall be deposited at the Company's Registered Office at Ground Floor, No. 118, Jalan Semangat, 46300 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for holding the Meeting or any adjourned meeting.

4. Please note that in order to attend and vote at the Meeting, a member must be registered in the Record of Depositors at 4.00 p.m. on 21 August 2017 in accordance with Article 51(e) of the Company's Constitution. Any changes in the entries on the Record of Depositors after the above mentioned date and time shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

5. Shareholders' attention is hereby drawn to the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad, which allows a member of the Company which is an exempt authorized nominee, as defined under the Securities Industry (Central Depositories) Act, 1991, who holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus") to appoint multiple proxies in respect of each omnibus account it holds.

6. The 2017 Annual Report is in CD-ROM format. Printed copies of the Annual Report shall be provided to the shareholders upon request. Shareholders who wish to receive a printed copy of the Annual Report and who require assistance with viewing the CD-ROM, kindly contact Mr Goh Chin Khoon at Tel: 03-79681001 & Fax: 03-79588013 or Ms Shirley Wong at Tel: 088–480870 & Fax: 088-412111 or e-mail to comsec@petalingtin.com.

EXPLANATORY NOTES:-

(a) Agenda 1 - Audited Financial Statements

The Audited Financial Statements are laid before the shareholders for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

(b) Ordinary Resolution 6 - Authority to Allot and Issue Shares pursuant to Section 75 and 76 of the Companies Act 2016

The proposed resolution, if passed, will empower the Directors to issue shares up to 10% of the total number of issued shares/total number of voting shares of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. This authority unless revoked or varied by the Company in a general meeting, will expire at the next Annual General Meeting of the Company. No proceeds were raised from the previous mandate. The renewed mandate will provide flexibility to the Company for any possible fund raising activities, including placement of shares, for the purpose of funding further investment project(s), working capital and/or acquisitions.

EXPLANATORY NOTES (CONT'D):-

(c) Continuing in Office as Independent Non-Executive Directors

i) Ordinary Resolution 7 - Datuk Haji Jaafar Bin Abu Bakar

Datuk Haji Jaafar Bin Abu Bakar was appointed an Independent Director on 1 August 1997 and he has served the Company for more than nine (9) years as at the date of the notice of the Annual General Meeting. Datuk Haji Jaafar Bin Abu Bakar has met the independent guideline as set out in chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Board, therefore, considers Datuk Haji Jaafar Bin Abu Bakar to be independent and recommends Datuk Haji Jaafar Bin Abu Bakar to remain as Independent Director.

ii) Ordinary Resolution 8 - Datuk Wan Kassim Bin Ahmed

Datuk Wan Kassim Bin Ahmed was appointed an Independent Director on 2 July 2001 and he has served the Company for more than nine (9) years as at the date of the notice of the Annual General Meeting. Datuk Wan Kassim Bin Ahmed has met the independent guideline as set out in chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Board, therefore, considers Datuk Wan Kassim Bin Ahmed to be independent and recommends Datuk Wan Kassim Bin Ahmed to remain as Independent Director.

iii) Ordinary Resolution 9 - Mr Lim Mun Kee

Mr Lim Mun Kee was appointed an Independent Director on 1 August 2007 and he has served the Company for more than nine (9) years as at the date of the notice of the Annual General Meeting. Mr Lim Mun Kee has met the independent guideline as set out in chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Board, therefore, considers Mr Lim Mun Kee to be independent and recommends Mr Lim Mun Kee to remain as Independent Director.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

1. The name of Directors who are standing for re-election:-

   (a) Datuk Wan Kassim Bin Ahmed - Ordinary Resolution 3

   (b) Datuk Haji Jaafar Bin Abu Bakar - Ordinary Resolution 4

2. Information about the Directors standing for re-election is set out under Profile of the Board of Directors and Key Senior Management section of the Annual Report, and the details of their attendance of Board Meetings held during the financial year ended 31 March 2017 are set out under Other Compliances Statement section of the Annual Report.

Annexure A

Date: 20 July 2017

The Board of Directors
PETALING TIN BERHAD
1st Floor, No. 118
Jalan Semangat
46300 Petaling Jaya
Selangor Darul Ehsan

Dear Sirs,

SPECIAL NOTICE – NOMINATION OF AUDITORS

I, being a shareholder of Petaling Tin Berhad hereby give notice pursuant to Section 280 (2) (b) (ii) and 322 of the Companies Act 2016 of my intention to nominate Messrs. Moore Stephens Associates PLT for appointment as Auditors of Petaling Tin Berhad in place of the outgoing Auditors, Messrs. UHY and to propose the following Ordinary Resolution to be tabled at the forthcoming 91st Annual General Meeting of Petaling Tin Berhad:-

"THAT Messrs. Moore Stephens Associates PLT, be hereby appointed as Auditors of the Company in place of the outgoing Auditors, Messrs. UHY, to hold office until the conclusion of the next Annual General Meeting and that authority be hereby given to the Directors of the Company to determine their remuneration."

Thank you.

Yours faithfully,

DATUK HAJI JAAFAR BIN ABU BAKAR

PETALING TIN BERHAD 324-H
INCORPORATED IN MALAYSIA

Proxy Form

Securities Account Number			Number of Shares
ADA Code	Branch Code	CDS Account No.	

*I/We, ____
(Please use block letters)

of ____
(Full address)

being a *member/members of **PETALING TIN BERHAD** hereby appoint:-

Full name (in Block)	*NRIC/Passport No./ Company No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

*and/or

Full name (in Block)	*NRIC/Passport No./ Company No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the Meeting as *my/our proxy/proxies to vote for *me/us on *my/our behalf at the Ninety First (91st) Annual General Meeting of the Company to be held at Nexus Resort & Spa Karambunai, Sigunting Conference Room of No. 1, Nexus Drive West, Karambunai, off Jalan Sepangar, Menggatal, 88450 Kota Kinabalu, Sabah, Malaysia on Tuesday, 29 August 2017 at 10.30 a.m. and any adjournment thereof.

Please indicate with "X" in the appropriate box how you wish your vote to be cast. If this proxy Form is returned without any indication as how the proxy shall vote, the proxy will vote or abstain from voting as *he/she/they may think fit.

No.	Resolutions	For	Against
1	Approval of Directors' fees and benefits for the financial year ended 31 March 2017		
2	Approval of Directors' fees and benefits for the financial year ending 31 March 2018		
3	Re-election of Datuk Wan Kassim Bin Ahmed as Director		
4	Re-election of Datuk Haji Jaafar Bin Abu Bakar as Director		
5	Appointment of Messrs. Moore Stephens Associates PLT as Auditors in place of the outgoing Auditors, Messrs. UHY, and to authorise the Directors to determine their remuneration		
6	Authority pursuant to Section 75 and 76 of the Companies Act 2016		
7	Continuing in office of Datuk Haji Jaafar Bin Abu Bakar as Independent Non-Executive Director		
8	Continuing in office of Datuk Wan Kassim Bin Ahmed as Independent Non-Executive Director		
9	Continuing in office of Mr Lim Mun Kee as Independent Non-Executive Director		

* Strike out whichever not applicable

Signed this ______________ day of ______________, 2017

Signature/Seal of Shareholder ______________________ Contact No. (during office hours) ______________________

NOTES:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and vote in his/her stead. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
2. The instrument appointing a proxy must be in writing under the hand of the appointer or his attorney duly authorised in writing, or if such appointer is a corporation, either under its common seal, or the hand of an officer or attorney duly authorised.
3. The instrument appointing a proxy and the power of attorney or other authority (if any) under which the instrument is signed or a notarily certified copy of that power of authority, shall be deposited at the Company's Registered Office at Ground Floor, No. 118, Jalan Semangat, 46300 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for holding the Meeting or any adjourned meeting.
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Affix Stamp

The Share Registrar of Petaling Tin Berhad (324-H)

Semangat Corporate Resources Sdn Bhd
Ground Floor, No. 118, Jalan Semangat
46300 Petaling Jaya, Selangor Darul Ehsan
Malaysia

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Petaling Tin Berhad (324-H)

First Floor,
No. 118, Jalan Semangat,
46300 Petaling Jaya,
Selangor Darul Ehsan.

Tel : 603-7968 1222
Fax : 603-7954 1155

www.**petalingtin**.com