MRB (575543-X)

MINETECH RESOURCES BERHAD

Annual Report 2016

VISION

To be the BEST in whatever we do

MISSION

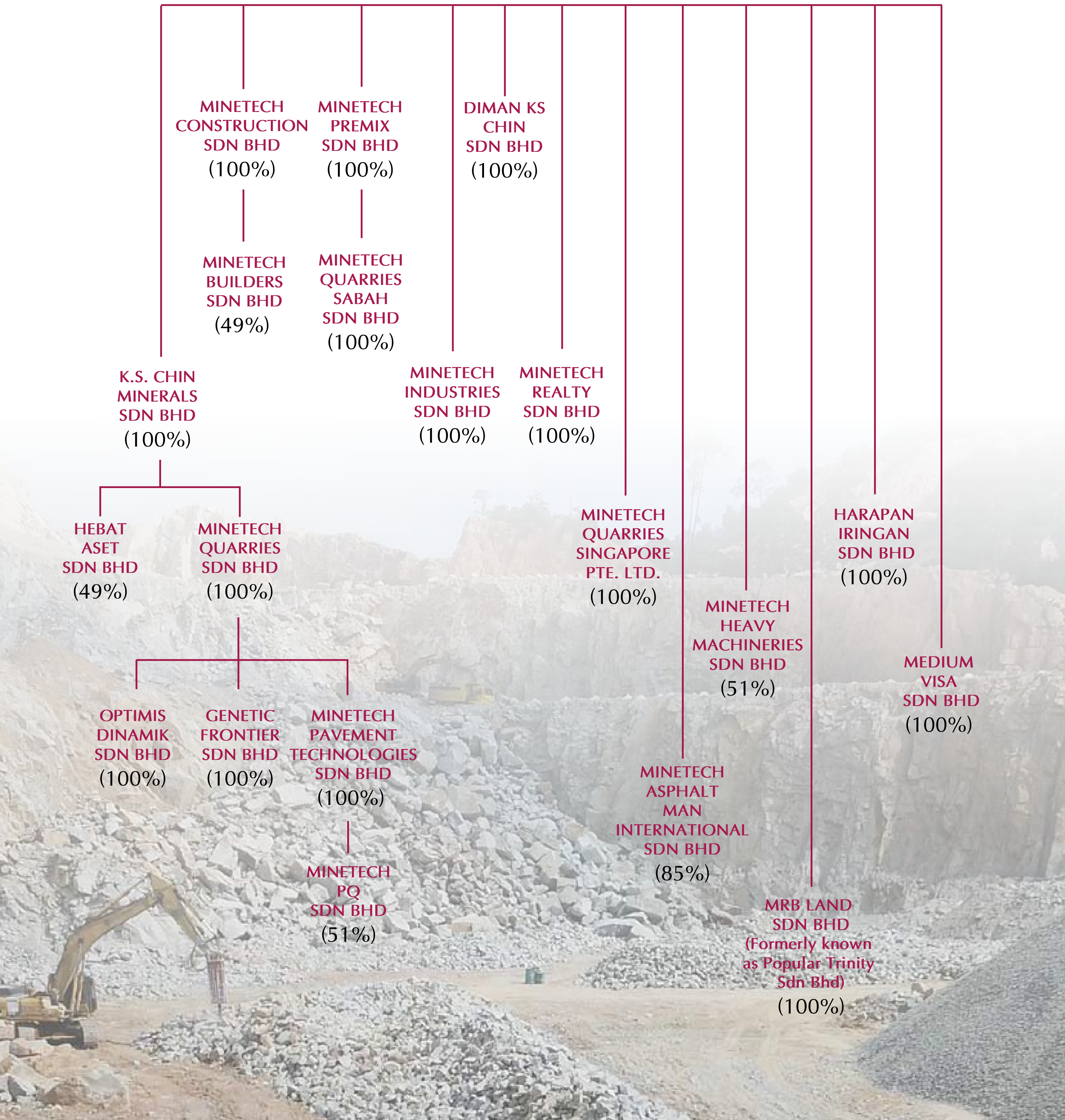
We are committed:-

- To implement the best corporate practice culture in the organisation;
- To retain, grow and develop competent Human Capital and provide growth opportunities;
- To meet customers' expectation and provide service excellence.

CONTENTS

CORPORATE STRUCTURE
As At 30 June 2016

MRB (575543-X)
MINETECH RESOURCES BERHAD



CORPORATE INFORMATION

BOARD OF DIRECTORS

1. **Choy Sen @ Chin Kim Sang**
   Executive Chairman
   cum Group Managing Director

2. **Chin Leong Choy**
   Group Executive Director

3. **Ng Kok Hok**
   Finance Director

4. **Chan Toong San**
   Non-Independent Non-Executive Director
   (Appointed on 29 June 2016)

5. **Chong Jun Heng**
   Non-Independent Non-Executive Director
   (Appointed on 29 June 2016)

6. **Ahmad Ruslan Zahari Bin Zakaria**
   Independent Non-Executive Director

7. **Chin Kong Yaw**
   Independent Non-Executive Director

8. **Peter Ling Sie Wuong**
   Independent Non-Executive Director

9. **Low Choon Lan**
   Alternate Director to Choy Sen @ Chin Kim Sang

AUDIT COMMITTEE

1. **Ahmad Ruslan Zahari Bin Zakaria**
   Chairman
2. **Chin Kong Yaw**
3. **Peter Ling Sie Wuong**

NOMINATION COMMITTEE

1. **Peter Ling Sie Wuong**
   Chairman
2. **Ahmad Ruslan Zahari Bin Zakaria**
3. **Chin Kong Yaw**

REMUNERATION COMMITTEE

1. **Ahmad Ruslan Zahari Bin Zakaria**
   Chairman
2. **Choy Sen @ Chin Kim Sang**
3. **Peter Ling Sie Wuong**

COMPANY SECRETARIES

Tai Yit Chan *(MAICSA 7009143)*
Te Hock Wee *(MAICSA 7054787)*

REGISTERED OFFICE

Lot 6.05, Level 6, KPMG Tower
8 First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
Tel No. : 603-7720 1188
Fax No. : 603-7720 1111

SHARE REGISTRAR

Boardroom Corporate Services (KL) Sdn Bhd
Lot 6.05, Level 6, KPMG Tower
8 First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
Tel No. : 603-7720 1188
Fax No. : 603-7720 1111

PRINCIPAL BANKERS

Malayan Banking Berhad
(Company No. 3813-K)

AUDITORS

Messrs UHY
Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel No. : 03-2279 3088
Fax No. : 03-2279 3099

STOCK EXCHANGE LISTING

Main Market of
Bursa Malaysia Securities Berhad
Stock Short Name: MINETEC
Stock Code: 7219

DIRECTORS' PROFILE

CHOY SEN @ CHIN KIM SANG
Executive Chairman cum Group Managing Director, Aged 63, Male

Choy Sen @ Chin Kim Sang is the founder and Executive Chairman cum Group Managing Director. He was appointed as the Executive Chairman of the Company on 28 January 2005 and subsequently, was re-designated as Executive Vice-Chairman on 15 December 2010 and Executive Vice-Chairman cum Group Managing Director on 16 April 2013.

On 28 January 2014, he has been re-designated in his present position. He is also a member of the Remuneration Committee of the Company.

He received his Masters in Business Administration from the Southern Pacific University, United States in 2004. He is also an Associate of the Institute of Quarrying Malaysia and a registered Shot-Firer with the Jabatan Mineral dan Geosains Malaysia and Polis Diraja Malaysia. He is a Deputy President of Green Purchasing Network Malaysia.

He has some 37 years of experience in the provision of quarrying services and specialized services for the quarrying and civil engineering industries.

After obtaining the requisite experiences in drilling and blasting works, in 1984, he incorporated K.S. Chin Construction Sdn Bhd (now known as K.S. Chin Minerals Sdn Bhd) to take over the business operations of Chin Construction. In 1989, he expanded his business to incorporate Minetech Construction Sdn Bhd, to provide specialized drilling and blasting, loading and haulage services focusing on rock excavation and infrastructure development projects. Subsequently, he established Minetech Industries Sdn Bhd in 1994 to support the Group's operations in trading of heavy machineries and industrial machinery spare parts. In 1998, Minetech Quarries Sdn Bhd commenced operations focusing on the sales and marketing of aggregates. As part of his intentions to provide value-added products using aggregates, he established Minetech Premix Sdn Bhd to provide asphalt premix to the road construction and maintenance industry. He was then appointed as the Director of Minetech Asphalt Man International Sdn Bhd on 1 January 2010.

As the founder, he has been the main driving force behind the development, growth and expansion of the MRB Group. He is responsible for strategic planning of the business including the overall direction and vision of the Group. Some of his main contributions include the Group's strategic diversification into long-term quarry operations in 1991. The Group flourished under his leadership and was listed on the Second Board of the Bursa Malaysia Securities Berhad ("Bursa Securities") on 22 July 2005. Subsequently, on 3 August 2008, the counter was elevated to Bursa Securities' Main Board.

Other than MRB, he is not a director of any other public company. He is a director in several private limited companies.

He is a major shareholder of MRB. He has no material conflict of interest with the MRB Group other than that which has been disclosed in the Audited Financial Statements contained in this Annual Report.

Directors' Profile (cont'd)

CHIN LEONG CHOY
Group Executive Director, Aged 33, Male

Chin Leong Choy was appointed to the Board of Directors of MRB as Executive Director on 21 January 2010. He was re-designated as Group Executive Director on 6 March 2013.

He received his Master in Business Administration (General Management) from Stichting Euregio University College, Belgium and Master in Business Administration (Property Management) from Tbilisi Teaching University Gorgasali, Georgia. He is a registered Shot-Firer with the Jabatan Mineral and Geosains Malaysia.

In 2003, he joined Minetech Construction Sdn Bhd in-charge of control blasting and infrastructure work. He then transferred to Minetech Quarries Sdn Bhd as Sales Executive in 2005 and Planning & Development Executive of K.S. Chin Minerals Sdn Bhd in 2006. During his tenure between 2007 to 2009, he was the Personal Assistant to Executive Chairman of MRB.

As Group Executive Director, his main responsibilities include the overall performance and management of various companies in MRB Group, business expansion and ensuring that all business goals are achieved.

Other than MRB, he is not a director of any other public company. He sits on the boards of several private limited companies.

He has no material conflict of interest with the MRB Group.

NG KOK HOK
Finance Director, Aged 55, Male

Ng Kok Hok is a Chartered Accountant with the Malaysian Institute of Accountants, a Chartered Global Management Accountant, an Associate Member of the Chartered Institute of Management Accountants and a Member of the Financial Planning Association of Malaysia.

He held the position of an Accountant in several private limited companies involved in telecommunications, manufacturing and trading businesses. Mr Ng has also served as an Accountant and was later promoted to be a Financial Controller for Kuala Lumpur Mutual Fund Berhad (now known as Public Mutual Berhad). He then joined as General Manager of TA Unit Trust Management Berhad and progressed to the role as Chief Executive Officer. Mr Ng also sits on the Board of Directors of Sterling Progress Berhad (formerly known as 1 Utopia Berhad) and MMAG Holdings Berhad (formerly known as Ingenuity Consolidated Berhad) as an Independent Non-Executive Director.

Mr Ng was appointed as Finance Advisor in November 2013 and then as Chief Financial Officer on 21 November 2013. On 21 February 2014, he has been appointed as Finance Director.

Mr Ng has no conflict of interest in any business arrangement involving the MRB Group.

Directors' Profile (cont'd)

CHAN TOONG SAN
Non-Independent Non-Executive Director, Aged 63, Male

Chan Toong San was appointed as Non-Independent Non-Executive Director on 29 June 2016.

He received his Masters in Business Administration from Heriot-Watt University and Diploma in Banking from the Chartered Institute of Bankers in United Kingdom.

He built a successful career in the banking and finance industry spanning over 20 years. He was the General Manager of Operations for a leading finance institution and managed more than 80 branches in East and West Malaysia.

He ventured into the quarrying business in 2001 and has been instrumental for the growth and expansion of a medium sized quarry covering the local and overseas market.

He holds 49% of deemed interest via Pantai Quarry Sdn Bhd in Minetech PQ Sdn Bhd, a subsidiary company of MRB.

Other than MRB, he is not a director of any other public company. He sits on the boards of several private limited companies.

He has no material conflict of interest with the MRB Group.

CHONG JUN HENG
Non-Independent Non-Executive Director, Aged 53, Male

Chong Jun Heng was appointed as Non-Independent Non-Executive Director on 29 June 2016.

He received his Masters in Business Administration from the University of Strathclyde and Management Diploma from the Malaysian Institute of Management.

He began his career with Shell Malaysia working there from 1982 to 1991 involved in sales, communications, branding, network management, network development and other marketing activities.

Subsequently, he joined a conglomerate involved in property, food and gaming where he stayed until 2003. He then joined Iskandar Waterfront City Berhad (formerly known as Tebrau Teguh Bhd), a company listed on Bursa Malaysia as General Manager.

In 2008, he co-founded Cabaran Roadbase Sdn Bhd, a company producing asphaltic concrete mixes for road construction where he has since served as Executive Director.

Other than MRB, he is not a director of any other public company. He sits on the boards of several private limited companies.

He has no material conflict of interest with the MRB Group.

Directors' Profile (cont'd)

AHMAD RUSLAN ZAHARI BIN ZAKARIA
Independent Non-Executive Director, Aged 55, Male

Ahmad Ruslan was appointed as Independent Non-Executive Director on 21 February 2014. He is also the Chairman of the Audit Committee and Remuneration Committee and a member of the Nomination Committee of the Company.

He graduated from the University of Newcastle-upon-Tyne, England in 1984 with a Bachelor of Arts in Economic Studies (Accounting & Financial Analysis). After graduation, he trained as a Chartered Accountant at a firm in London and in 1986, he joined Merchants Business Growth Consulting, a pan European marketing consulting company, as its Group Financial Controller.

In 1993, he left Europe and joined what is now CIMB Investment Bank Berhad in the Corporate Finance Department. In 1997, he assisted in the formation of Commerce Asset Ventures, the venture capital arm of CIMB Group. In 2000, he joined Clear Channel Communications, Inc., the leading global media organisation listed on the New York Stock Exchange as ASEAN Regional Director/Managing Director of Malaysian operations.

In 2005, he was appointed as the Chief Executive Officer of Terengganu Incorporated, the strategic investment holding company for the Terengganu state. In 2008, he joined, as CEO, Armstrong Marine & Offshore Sdn. Bhd., the official representative of Armstrong Corporation Holdings in Asia and the Pacific Rim, a company involved in offshore and shipping investments, oil trading, finance and project development. Since 2010, he is the Chief Executive Officer of Sungai Temau Mining (M) Sdn. Bhd., an iron ore mining company.

He is also an Independent Non-Executive Director and Audit Committee Chairman of O&C Resources Berhad (formerly known as Takaso Resources Berhad), and Independent Non-Executive Chairman and Audit Committee Chairman of Spring Gallery Berhad; both of whom are listed on Bursa Malaysia. Additionally, he is a director of several private limited companies.

He has no material conflict of interest with the MRB Group.

CHIN KONG YAW
Independent Non-Executive Director, Aged 56, Male

Chin Kong Yaw was appointed as Independent Non-Executive Director on 13 August 2014. He is also a member of the Audit Committee and Nomination Committee of the Company.

He holds Bachelor of Economics with a major in Accounting from Monash University. He is a member of CPA Australia.

He was with accounting firms in Kuala Lumpur and was involved with audits (1984-1987), Finance Manager of Kimara Securities Sdn Bhd, Seremban and was in charge of the operations of the Accounting and Finance Department (1987-1988), Financial Controller of Setegap Berhad and was in charge of the operations of the Accounting and Finance Department (1989-1997), Executive Director of Setegap Berhad (1997-2006) and Chief Operating Officer of KYM Holdings Bhd (2006-April 2014).

Other than MRB, he is not a director of any other public company. He sits on the boards of several private limited companies.

He has no material conflict of interest with the MRB Group.

Directors' Profile (cont'd)

PETER LING SIE WUONG
Independent Non-Executive Director, Aged 42, Male

Peter Ling was appointed as Independent Non-Executive Director on 8 January 2015. He is also the Chairman of Nomination Committee, a member of the Audit Committee and Remuneration Committee of the Company.

He graduated from the University of East London in 1995, and commenced a career in the legal publishing industry, serving as Managing Editor of LexisNexis Malaysia.

In 2005, he moved into active legal practice, joining the partnership of a medium-sized corporate and commercial practice. In 2013, he set up PETER LING & VAN GEYZEL ("PLVG").

His legal practice is focused on corporate and commercial law. This includes mergers and acquisitions, corporate restructuring, foreign investments, initial public offerings, takeovers, and joint ventures. He also advises on tax and employment law and corporate governance. He is editorially mentioned in Legal 500's 2016 edition as a leading individual for capital markets, corporate merger and acquisition transactions and PLVG is named Legal 500's 2016 edition as Asia Pacific 2016 Leading Law Firm and was awarded "Rising Law Firm of the Year" at the ALB, Thomson Reuters' Malaysian Law Awards 2016.

He has been a member of the Corporate Governance Group, 2011 Securities Commission Corporate Governance Blue Print, the Corporate Law Reform Committee, Working Group C (Directors' Duties and Corporate Governance), and Independent Malaysian Legal Consultant to the World Bank Report on Corporate Governance Observance 2006.

He authored the publications "Sheridan and Grooves, The Constitution of Malaysia, Lexis Nexis", "Chan & Koh, Malaysian Company Law – Principles and Practice, Thomson", and "The Malaysian Precedents & Forms, Volume B – Corporations, LexisNexis.

Other than MRB, he is not a director of any other public company. He sits on the boards of several private limited companies.

He has no material conflict of interest with the MRB Group.

LOW CHOON LAN
Alternate Director to Choy Sen @ Chin Kim Sang, Aged 59, Female

Low Choon Lan was appointed as an Executive Director of the Company on 28 January 2005 and has been re-designated as a Non-Executive Director on 1 January 2010. On 28 February 2014, she resigned as Non-Independent Non-Executive Director and appointed as Alternate Director to Choy Sen @ Chin Kim Sang on the same day. She received her Masters in Business Administration from the Southern Pacific University, United States in 2004.

She was appointed as the Executive Director of K.S. Chin Minerals Sdn Bhd in 1984, Minetech Construction Sdn Bhd in 1989 and Minetech Quarries Sdn Bhd in 1996 where she oversaw the human resources, administration and purchasing divisions of the Group. Her present responsibilities include managing and overseeing the public relations activities of the MRB Group.

Other than MRB, she is not a director of any other public company. She is a director in several private limited companies.

She has no material conflict of interest with the MRB Group other than that which has been disclosed in the Audited Financial Statements contained in this Annual Report.

Directors' Profile (cont'd)

Notes:

1. All the Directors of MRB are Malaysian.

2. Save as otherwise disclosed, none of the Directors of MRB have any convictions for offences within the past ten (10) years other than traffic offences, if any.

3. None of the Directors of MRB have any family relationship with any other directors and/or major shareholders except as follows:

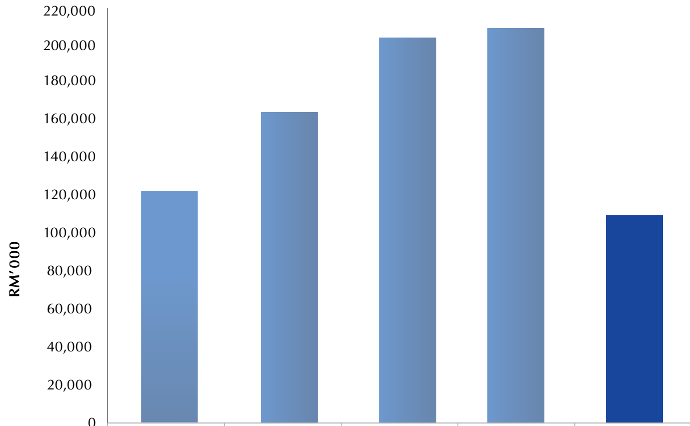
   (i) Madam Low Choon Lan is the spouse of Mr Choy Sen @ Chin Kim Sang, the Executive Chairman cum Group Managing Director and major shareholder of MRB;

   (ii) Mr Chin Leong Choy is the son of Mr Choy Sen @ Chin Kim Sang and Madam Low Choon Lan.

4. The details of Directors' attendance of Board Meetings during the financial year ended 31 March 2016 are disclosed in page 23 of this Annual Report.

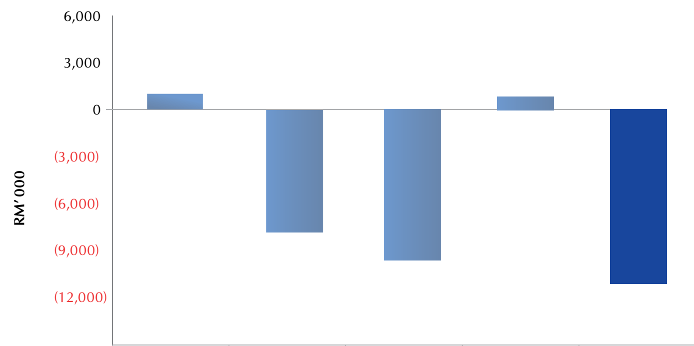
FINANCIAL HIGHLIGHTS

Revenue



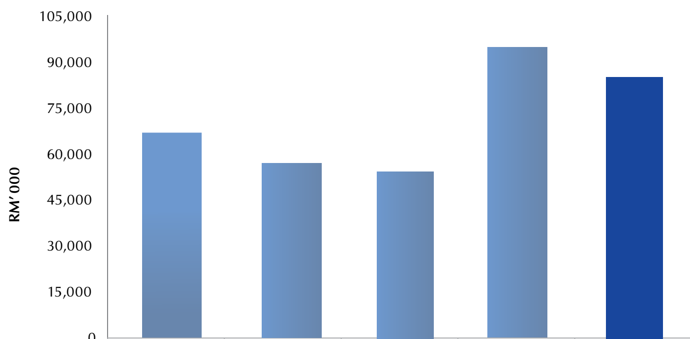
	2011	2012	2013	2015 (15 months)	2016
Revenue	121,505	162,639	201,386	206,870	105,107

Profit/(Loss) Before Tax



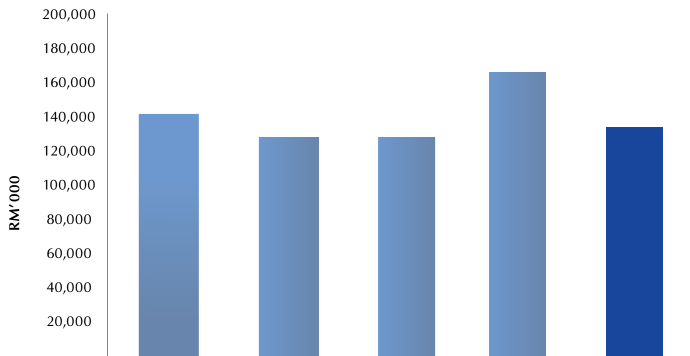
	2011	2012	2013	2015 (15 months)	2016
Profit/(Loss) Before Tax	1,343	(8,894)	(9,934)	1,339	(11,792)

Shareholders' Fund



	2011	2012	2013	2015 (15 months)	2016
S'hlds Fund	60,392	51,439	49,158	98,714	88,202

Total Assets



	2011	2012	2013	2015 (15 months)	2016
Total Assets	142,580	130,255	131,473	166,056	138,283

CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

For the financial year ended 31 March 2016, the Group recorded a total turnover of RM105.107 million representing a 36.5% decline against the previous year on an annualised basis and recorded a loss before tax of RM11.792 million and after a taxation provision of RM0.594 million, the Group reported a loss after taxation of RM11.198 million.

CIVIL ENGINEERING AND CONSTRUCTION

The Construction Division is involved in specialized scope of work like rock drilling and blasting, general civil and infrastructural works and building construction.

It recorded revenue of RM30.178 million, a decline from previous year as the last financial year was 15 months and most of the projects were completed in previous financial year. Among the activities are the rock excavation and rock strengthening at Mass Rapid Transport and extraction contract in a gold mine.

QUARRY

The Quarry Division continued to struggle with low margins and the high cost in meeting with stringent regulatory controls. During this period, one quarry in Perak has stopped due to the unexpected delay encountered in a renewal of the operating license. Together with the lower turnover for the other operations, the Quarry Division reported a loss of RM7.578 million before tax against revenue of RM37.466 million.

Measures are also being taken to further reduce manpower cost and more stringent operations controls to monitor raw material usage and repair and maintenance costs, while we continue to search for new and potential quarries.

PREMIX

Coupled with the slowdown in the construction industry, the non-renewal of permit at a quarry in Perak has also reduced operations to only one premix plant for the financial year. Turnover for the division declined to RM24.465 million and the Company recorded a profit of RM0.721 million before tax during the financial year.

The Group is the sole distributor for SPECO, Korean made premix batching plant. This year, we are commissioning two new SPECO premix batching plants. These are higher specification plants which are able to produce high-end asphaltic mixes to cater for highway requirements. They will be located in the Central and Northern region respectively. The Division is expected to have 5 working plants by the end of 2016 – 2017 financial year and an improvement in the contributions from this Division.

Chairman's Statement (cont'd)

BITUMINOUS PRODUCTS

During the financial year, this Division suffered a financial loss of RM2.520 million before tax, mainly due to the fluctuations of United States Dollar (USD) against the Malaysian Ringgit, as well as, due to a weaker overseas demand.

Looking ahead, we will strive to penetrate further in overseas markets and to the rolling out of new products that are suitable to both the local and overseas markets.

FUTURE PROSPECTS

In the coming year, we anticipate the economy to continue to be as challenging as this year.

However, the Government's implementation of various strategic infrastructure projects, whether under its own budget or private sector's investment including highways and railways is expected to provide the construction activities in which our Company's Divisions can be involved in.

In view of the above, our Group will continue to implement strategies for its respective business segments in tandem with the demand for the quarry, bituminous and premix products and the related products and services deriving from the abovementioned construction activities.

ACKNOWLEDGEMENT

As the Group embarks on another year, me and the Board of Directors of Minetech Resources Berhad wishes to take this opportunity to thank the Group's shareholders, bankers, customers, sub-contractors, suppliers, business associates, and the regulatory authorities for their ongoing support. We also extend our gratitude to the management and staff of the Group for their continued support and their willingness to face any new challenges ahead.

AUDIT COMMITTEE REPORT

MEMBERS OF THE AUDIT COMMITTEE

The Audit Committee ("AC") has three members, all of whom are independent non-executive directors. The composition of the AC is as follows:

Encik Ahmad Ruslan Zahari Bin Zakaria (Chairman)
Independent Non-Executive Director

Mr Chin Kong Yaw
Independent Non-Executive Director

Mr Peter Ling Sie Wuong
Independent Non-Executive Director

Encik Ahmad Ruslan Zahari Bin Zakaria and Mr Chin Kong Yaw meet the requirements of Paragraph 15.09(1)(c) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR").

ATTENDANCE OF AC MEETINGS

A total of five (5) meetings were held during the financial year ended 31 March 2016. Details of attendance of each member at the AC meetings held during the financial year ended 31 March 2016 are as follows:-

Name	Attendance
Encik Ahmad Ruslan Zahari Bin Zakaria (Chairman)	5/5
Mr Chin Kong Yaw	5/5
Mr Peter Ling Sie Wuong	5/5

SUMMARY OF ACTIVITIES OF THE AC

The principal activities undertaken by the AC during the financial year and up to the date of this report were as follows:

Financial Reporting

(a) Reviewed the unaudited quarterly financial results and the relevant announcements to Bursa Securities prior to the recommendation to the Board of Directors for approval.
(b) Reviewed the draft annual audited financial statements with the external auditors prior to the recommendation to the Board of Directors for approval.

External Audit

(a) Reviewed the external auditor's reports in relation to audit and accounting issues arising from the audit and the management's response.
(b) Reviewed and discussed with external auditors regarding the audit planning memorandum, audit review memorandum and issues arising from the statutory audit of the Group.
(c) Assessed and ensured the financial reports reflected a true and fair view of the Group's financial position and performance.
(d) Met with the external auditors on two (2) occasions during the financial year without the presence of Executive Directors and Management of the Group to ensure there were no restrictions on the scope of their audit and to discuss any items that the external auditors did not wish to raise in the presence of Management.
(e) Evaluated the independence and effectiveness of the external auditors and recommended to the Board of Directors on their re-appointment and audit fee.

Audit Committee Report (Cont'd)

Related Party Transactions

(a) Reviewed and monitored compliance of related party transactions with the MMLR and conflict of interest situation that may arise within the Group.

Risk Management and Internal Control

(a) Assessed the risk and control environment of the Group through the quarterly Enterprise Risk Management reports.
(b) Reviewed the Statement on Risk Management and Internal Control prior to the recommendation to the Board of Directors for approval for inclusion in the 2016 Annual Report.

Internal Audit

(a) Reviewed and approved the annual Audit Plan to ensure adequate scope and comprehensive coverage of the Group's activities.
(b) Reviewed and discussed with the internal auditors regarding the internal audit process, internal audit findings and issues arising from the internal audit.
(c) Monitored the implementation of mitigating actions by Management on outstanding issues to ensure all key risks and control weaknesses are properly addressed.
(d) Met with the internal auditors once during the financial year without the presence of Executive Directors and Management of the Group for discussions on audit related matters.

Others

(a) Reviewed the Terms of Reference of AC prior to the recommendation to the Board of Directors for adoption.
(b) Reviewed the Audit Committee Report prior to the recommendation to the Board of Directors for approval for inclusion in the 2016 Annual Report.

INTERNAL AUDIT FUNCTION

Details on the internal audit function are set out in the Statement on Risk Management and Internal Control on page 35 of this Annual Report.

NOMINATION COMMITTEE STATEMENT

MEMBERS OF THE NOMINATION COMMITTEE

The composition of the Nomination Committee ("NC") is as follows:

Mr Peter Ling Sie Wuong (Chairman)
Independent Non-Executive Director

Encik Ahmad Ruslan Zahari Bin Zakaria
Independent Non-Executive Director

Mr Chin Kong Yaw
Independent Non-Executive Director

The Board is of the view that all Independent Directors of the Company are always within reach of the shareholders and issues are discussed openly at meetings, thus shareholders may approach any of the Independent Directors of the Company. In view thereof, the Board did not nominate a Senior Independent Non-Executive Director at this juncture.

With its diversity of skill and professions, the Board had been able to provide effective collective leadership to the Group and strategies to ensure that high standards of conduct and integrity are practised at the Company.

ATTENDANCE OF NC MEETINGS

A total of two (2) meetings were held during the financial year ended 31 March 2016. The details of attendance of each member at the NC meetings held during the financial year are as follows:-

Name	Attendance
Mr Peter Ling Sie Wuong (Chairman)	2/2
Encik Ahmad Ruslan Zahari Bin Zakaria	2/2
Mr Chin Kong Yaw	2/2

The duties and responsibilities of the NC are spelt out in the Terms of Reference of the NC.

SUMMARY OF ACTIVITIES OF THE NC

During the financial year under review, the activities undertaken by the NC include:

(a) Assessed the effectiveness of the Board as a whole and the Board committees and the contribution of each Director;
(b) Reviewed and recommended to the Board the re-election of the Directors;
(c) Reviewed the mix of skills, knowledge, expertise and experience, composition and size of the Board;
(d) Assessed the independence of Independent Directors;
(e) Assessed the character, experience, integrity, competence and time commitment of Directors and Group Chief Operating Officer;
(f) Reviewed the details of trainings accomplished by the Directors of the Company and determined the training needs of each Director;
(g) Reviewed and recommended to the Board the Terms of Reference of the NC; and
(h) Reviewed the NC Statement for incorporation into the 2016 Annual Report of the Company for recommendation to the Board of Directors for approval.

Nomination Committee Statement (Cont'd)

APPOINTMENT

The NC is empowered by the Board and its Terms of Reference to bring to the Board candidates of all directorships. The NC will identify and recommend candidates to the Board if there is any vacancy arising from resignation, retirement or any other reasons or if there is a need to appoint additional Director with the required skill or profession to the Board as to close the competency gap in the Board identified by the NC. The potential candidate may be proposed by the existing Director, senior management staff or shareholders.

The NC will review the candidate's resume, curriculum vitae and other biographical information as well as the suitability of candidates, inter-alia, the skills, knowledge, character, integrity, expertise and experience, competency, commitment (including time commitment) and where appropriate, the independence of candidates for appointment as Independent Non-Executive Directors.

Upon completion of assessment and evaluation of the proposed candidate, the NC would recommend to the Board. Based on the recommendation of the NC, the Board would evaluate and decide on the appointment of the proposed candidate.

ANNUAL ASSESSMENT

The NC reviews and evaluates the performance of individual Director including Independent Non-Executive Directors, Board as a whole and Board Committees on an annual basis with the aim of providing individual contribution, effectiveness of the Board and its Committees, identify gaps, maximise strengths and address weaknesses of the Board.

The assessment criteria used in the assessment of Board, Board Committees and individual Director include mix of skills and experience and size of the Board, quality of inputs, understanding of their roles, duties and responsibilities and etc.

The assessment of the Independent Directors is in accordance with the criteria as set out in the Board Charter and MMLR.

The evaluation process is led by the NC Chairman and supported by the Company Secretaries. The evaluation process is conducted via questionnaires to review the effectiveness of the Board and its Committees, and self-review assessment. The NC reviews the outcome of the assessment and report to the Board, in particular, areas for improvement and also used as the basis of recommending relevant Director for re-election at the Annual General Meeting.

RE-ELECTION

In accordance with the Company's Articles of Association, an election of Directors shall take place each year at an Annual General Meeting ("AGM") and one-third (1/3) of the Directors are subject to retirement by rotation, in any event, each Director shall retire from office once in every three (3) years. The Directors appointed by the Board are subject to retirement at the next AGM held following their appointments in accordance with the Company's Articles of Association. All retiring Directors are eligible for re-election. An Independent Director who has served for nine (9) years will seek shareholders' approval should the Board wishes to retain such Director as an Independent Director.

Nomination Committee Statement (Cont'd)

At this AGM, the following Directors are subject to retirement by rotation pursuant to the Company's Articles of Association:-

i) Mr Chin Leong Choy (Article 125)
ii) Encik Ahmad Ruslan Zahari Bin Zakaria (Article 125)

The NC had in June 2016 assessed and recommended the appointment of Mr Chan Toong San and Mr Chong Jun Heng to the Board. Pursuant to Article 130 of the Articles of Association of the Company, Mr Chan Toong San and Mr Chong Jun Heng will retire at the coming AGM following their appointments.

The aforesaid Directors have expressed their intention to seek for re-election at the forthcoming AGM.

Further, according to Section 129(1) of the Companies Act, 1965, members of the Board who are over 70 years of age may be re-appointed as a Director to hold office until the next AGM. Currently, none of the Directors are above 70 years of age.

Also, none of the Independent Directors of the Company has served as Independent Director for a cumulative term of nine (9) years as at to-date.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Minetech Resources Berhad ("Board") is committed to ensuring the highest standards of corporate governance throughout the Group so that the affairs of the Group are conducted with integrity and professionalism with the objective of safeguarding shareholders' investment and ultimately enhancing shareholders' value.

The following paragraphs describe how the Group has applied the Principles of the Malaysian Code on Corporate Governance 2012 ("Code") and the extent to which it has complied with the Recommendations of the Code throughout the financial year ended 31 March 2016.

THE BOARD OF DIRECTORS

A. THE BOARD AND ITS ROLES AND RESPONSIBILITIES

The Board has established clear functions reserved for the Board and those delegated to Management. The Board retains full and effective control of the Group. The Board is bestowed with the duties and responsibilities to ensure the interests of the shareholders are protected.

In fulfilling its fiduciary and leadership functions, the Board ensures that there are appropriate systems and procedures in place to manage the Company's strategic plans, business conduct, significant risks, succession planning and internal controls system.

In line with the practice of good corporate governance, the Board has established and implemented various processes to assist members of the Board in the discharge of their roles and responsibilities. The Board's roles and responsibilities, amongst others, are:

a. Review and adopt a strategic plan for the Company to promote sustainability of the business of the Company;

   The Board undertakes to play an active role in reviewing and adopting the Company's strategic plans by reviewing, discussing at length, and approving any of the Management's proposals such as acquisition and disposal, as well as material agreements when the same is presented by the Management.

   The Board as a whole is able to bring about objective judgements and advice drawing from their respective knowledge, expertise and experience. The presence of the non-executive directors is essential to provide unbiased and independent view, advice and judgement, as well as to safeguard the interest of all stakeholders.

   In February of every year, the Board will discuss and approve the budget for the ensuing financial year at the Board Meeting.

b. Reviewing the Code of Conduct of the Company and implementing appropriate internal systems to support, promote and ensure its compliance;

   In line with the Company's mission to implement the best corporate practice in the organisation, the Board is committed in maintaining a corporate culture which engenders ethical conduct. Ethical standards are formalised through a set of Directors' Code of Ethics and Employees' Discipline & Conduct respectively which are abided by the Directors, Management and employees of the Company and its subsidiaries. The Employees' Discipline & Conduct also includes appropriate communication and feedback channels which facilitate whistleblowing.

Corporate Governance Statement (Cont'd)

A. THE BOARD AND ITS ROLES AND RESPONSIBILITIES (cont'd)

c. Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;

The Board ensures it oversees the performance of management to determine whether the business is being properly managed. The Executive Chairman cum Group Managing Director / Group Executive Director is responsible to keep the Board informed on all matters which may materially affect the Company and its business. As the Executive Chairman cum Group Managing Director / Group Executive Director is accountable to the Board for the achievement of the Company's goals and the observance of management's limitations, the Executive Chairman cum Group Managing Director / Group Executive Director periodically reports to the Board on operational matters.

d. Reviewing, ratifying and monitoring systems of risk management, internal control, ethical and legal compliance;

The Board acknowledges the importance of a sound system of risk management and internal control and its overall responsibility for maintaining the Group's system of internal control and risk management (the "system"), as well as for reviewing the adequacy and integrity of the system. This includes establishing sound risk management framework, reviewing procedures to identify the main risks associated with the Company's businesses and the implementation of appropriate systems to manage these risks;

e. Reviewing the procedures for appointment, training, fixing compensation of senior management and Directors and ensuring that succession planning is in place;

The Board will establish a succession plan for Chairman of each Board Committees, Chairman of the Board and C-suites. The main goal is to smooth the transition and ensures that the positions are filled and skills gaps are addressed.

The Board has delegated to the Nomination Committee ("NC") with the responsibility to review Board and senior management succession plans. With this, the NC assesses and recommends to the Board candidates for directorships and nominees to all the seats on Board Committees in line with the Terms of Reference of the NC. Where there are key management positions to be appointed, the Board will also discuss on the same to ensure that the candidates appointed or employed are of sufficient caliber.

f. Establishing an internal audit function which reports directly to the Audit Committee ("AC");

The Board has delegated to AC to assist the Board in overseeing the internal audit function as to discharge its functions effectively. The AC outsourced the Group's internal audit function to an independent professional firm to independently assess the adequacy and effectiveness of the corporate governance and internal control system and provide an independent and objective report on its observations.

g. Ensuring there is a sound framework of reporting on internal controls and regulatory compliance;

The Board has established an internal control framework that encapsulates the key features of the Group's internal control system. Information on the Company's internal control system is presented in the Statement on Risk Management and Internal Control of this Annual Report.

h. Ensuring its members have access to information, appropriate continuing education programmes and has the rights to seek independent professional advice at the Company's expense, subject to the approval of the Executive Chairman cum Group Managing Director or in his absence, the Group Executive Director; and

Corporate Governance Statement (Cont'd)

A. THE BOARD AND ITS ROLES AND RESPONSIBILITIES (cont'd)

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

The Board respects the rights of the Company's shareholders and to facilitate the effective exercise of those rights, the Board ensures the Company is committed to communicate effectively with shareholders.

It ensures regular release of the financial information including quarterly financial results and annual reports, circular, notices of meetings and outcome of the general meetings and all other Company's announcements on its website.

A shareholder may request a hard copy of the Company's annual report to be posted to them.

The Board consists of competent individuals with appropriate specialised skills and knowledge to successfully direct, supervise and manage the Group's business as a going concern, which encompassed issues of setting strategic business directions, overseeing conducts and affairs and have continuous oversight over risk management, internal controls and compliance matters involving the Company.

The Board delegates and confers some of its authorities and discretion on the Executive Chairman cum Group Managing Director, Executive Directors and Management as well as on properly constituted Board Committees. A number of formal structures and committees are put in place to assist the Board in carrying out its duties. The terms of reference of each committee were approved by the Board. All Board committees report to the Board.

The roles and responsibilities of the Board, Executive Chairman cum Group Managing Director, Management and Committees are clearly set out in the Board Charter, which is available on the Group's website at www.minetech.com.my. The Board Charter is reviewed and revised as and when necessary. The Board had on 24 May 2016 reviewed the Board Charter and approved the revised Board Charter on the same day.

B. ROLE OF EXECUTIVE CHAIRMAN CUM GROUP MANAGING DIRECTOR AND EXECUTIVE DIRECTORS

The Executive Chairman cum Group Managing Director is responsible to ensure smooth functioning of the Board, whilst the Executive Directors are responsible to ensure that the Board's decisions are implemented and the directions are responded to as well as ensuring the day-to-day business affairs of the Company are effectively managed.

C. ROLE OF NON-EXECUTIVE/INDEPENDENT DIRECTOR

The Non-Executive/Independent Director, in general are independent from management. Their roles, inter alia, are to constructively challenge Management and contribute to the development of the business strategy and direction of the Company. They ensure effective checks and balances on the Board. They have free and direct contact with Management and they engage with the external and internal auditors to address matters concerning Management.

D. ROLE OF MANAGEMENT

The role of Management is to support the Executive Chairman cum Group Managing Director and Executive Directors in implementing and running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board. The Management team prepares and guides the development of the Group's processes and business operations and the Group's common functions. The Management team handles, in particular, the Company's strategy, budget, major procurements and projects, the Group's structure and organisation as well as major policies of administration and the HR policy issues.

Corporate Governance Statement (Cont'd)

E. CODE OF CONDUCT

The Board is committed in maintaining a corporate culture which ensures ethical standards, proper conduct and its compliance through the internal control and policies within the Group. Ethical standards are formalised through the Directors' Code of Ethics and the Company's employee handbook ("the Codes") which governs the ethics and conduct of the Directors, Management and employees of the Group. The Board members are required to observe the Directors' Code of Ethics includes compliance at all times with this Code of Ethics and the Board Charter as well as to observe high standards of corporate governance at all times. The Board members are required to declare any personal, professional or business interests that may conflict with directors' responsibilities.

Employees' discipline and conduct categorised into minor or major misconduct. Minor misconducts are generally less serious or first offence. Major misconduct warrants a more severe form of punitive action. Appropriate communication and feedback channels that facilitate whistleblowing are also included.

To ensure its implementation and effectiveness, the Codes are made reference to new Directors and employees upon induction. This serves as a way to ensure Directors and employees understand the importance of ethics and require adherence to the Company's standards. The Codes are also reviewed as and when necessary as to ensure its relevance.

The summary of the Codes is available on the Group's website at www.minetech.com.my.

F. COMPOSITION AND BOARD BALANCE

To-date, the Board comprises of eight (8) members headed by the Executive Chairman cum Group Managing Director, one (1) Executive Director, one (1) Finance Director, two (2) Non-Independent Non-Executive Directors and three (3) Independent Non-Executive Directors. The Board will take the necessary step to recruit suitable women candidates to the Board as and when the opportunity arises to reach 30% of board composition. The profile of each Board member is entailed on pages 4 to 9 of this Annual Report.

In spite of the Chairman not being an Independent Director, the Board believes that the interests of the shareholders and the Company are protected by the strong presence of Independent Directors on the Board who neither have any family relationship with any Director and/or major shareholders of the Company and have no conflict of interest with the Company.

The Directors together bring a wide range of business, financial, industrial and legal experience to lead the Group in the area of business strategies, performance and utilisation of resources and standards of conduct.

The Code states that the positions of Chairman and Chief Executive Officer should be held by different individuals. The positions of Executive Chairman of the Board and Group Managing Director are held by the same person. The Board is of the opinion that there is no issue with regards to the balance of power and authority on the Board as the roles of Executive Chairman and the Executive Directors are clearly set out and established while the decision making process of the Board is based on collective decisions without any individual exercising any considerable concentration of power or influence and well balanced by the presence of strong elements of independence in the Board. Nevertheless, the Board would continue to ensure that majority of the Board comprises Independent Directors whenever any suitable candidates are identified.

The Executive Chairman cum Group Managing Director leads the Board on overseeing of Management. Executive Directors are responsible for carrying out the day-to-day operational functions as well as business development of the Group.

The Non-Executive/Independent Directors play the supporting role by contributing their knowledge and experience in the business strategic plans and offering their unbiased independent view, advice and judgment in the best interest of the Group. The Board is of the view that it is not necessary to identify a

Corporate Governance Statement (Cont'd)

F. COMPOSITION AND BOARD BALANCE (cont'd)

Senior Independent Non-Executive Director to whom other directors may bring their concerns to, as all Directors believes that they can freely express their views at Board Meeting and always within the reach of the shareholders.

Where areas of conflict of interest arise, the Director concerned will have to declare his/her interest and abstain from participating in the decision making process.

G. INDEPENDENCE OF DIRECTORS

The Independent Directors fulfilled the criteria of "Independence" as prescribed under the MMLR of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Board composition complies with the MMLR which requires that at least two (2) Directors or one-third (1/3) of the Board of the Company, whichever is higher, to be Independent Directors.

The Board is committed in undertaking an assessment of its Independent Directors annually and assesses the independence of its Independent Directors based on the criteria as prescribed in the Board Charter and the MMLR and applies these criteria upon admission, annually and when any new interest or relationship develops.

The Board is aware that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years as stated in Recommendation 3.2 of the Code. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Director. In the event the Board wishes to retain such director as an Independent Director, the Board will justify and seek shareholders' approval.

In justifying the decision, the NC is entrusted to assess and justify the candidate's suitability to continue as an Independent Director and the reasons for maintaining him as Independent Director would be disclosed in the Notice of Annual General Meeting.

As at to-date, all Independent Directors have not attained the cumulative nine (9) years of service.

H. DIVERSITY POLICY

The Board had adopted the Diversity Policy which set out the Board's approach to promote diversity of the Group.

The Company recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. The Board has no immediate plans to implement a diversity policy nor set any target or undertake any specific measures in view that the Board membership is dependent on each candidate's skills, knowledge, expertise and other qualities. However, the Board will take the necessary step to recruit suitable women candidates to the Board as and when the opportunity arises to reach 30% of board composition. There are no barriers by reason of an individual's gender, race, religion and age.

The Diversity Policy is available on the Group's website at www.minetech.com.my.

A truly diverse Board comprises member with diverse skills, regional and industry experience, background, age, race, gender and other qualities. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately.

The Group appreciates the benefits of having gender diversity in the boardroom as a mix-gendered board would offer different viewpoints, ideas and market insights which enables better problem solving to gain competitive advantage in serving an increasingly diverse customer base than the boardroom that dominated by one gender.

Corporate Governance Statement (Cont'd)

H. DIVERSITY POLICY (cont'd)

The NC reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors. It also oversees the conduct of the annual assessment of Board effectiveness.

In reviewing the Board composition, the NC will consider the benefits of all aspects of diversity in order to maintain an appropriate range and balance of skills, experience and background on the Board.

Details of Board nomination and election process and Board assessments are set out in the Nomination Committee Statement of this Annual Report.

I. COMMITMENT TO THE BOARD

Each member of the Board is expected to devote sufficient time and attention to the affairs of the Company. The Directors should notify the Chairman of the Board before accepting any new directorship, including an indication of time that will be spent on the new appointment.

Each Board member is allowed to sit on the Board of five (5) listed issuers and must in attendance of at least fifty percent (50%) of the total Board Meetings held in a financial year.

J. BOARD MEETINGS

The Board meets on a regular and scheduled basis, at least four (4) times a year with additional meetings held as and when urgent issues warrant matters to be attended to. During the financial year under review, the Board met five (5) times. The details of attendance of each Board member (save for Mr Chan Toong San and Mr Chong Jun Heng who were appointed on 29 June 2016) at the Board of Directors' meetings held during the financial year are as follows:

Name of Director	Designation	Total meetings attended
Choy Sen @ Chin Kim Sang	Executive Chairman cum Group Managing Director	5/5
Chin Leong Choy	Group Executive Director	5/5
Ng Kok Hok	Finance Director	5/5
Ahmad Ruslan Zahari Bin Zakaria	Independent Non-Executive Director	5/5
Chin Kong Yaw	Independent Non-Executive Director	5/5
Peter Ling Sie Wuong	Independent Non-Executive Director	5/5

The Board is satisfied with the time commitment given by the Board members in carrying out their responsibilities which is shown in the above attendance.

K. SUSTAINABILITY POLICY

The Board recognises the goal of sustainable development is to "meet the needs of the present without compromising the ability of future generations to meet their own needs". The Board's commitment to sustainability is outcome-based, innovative and founded on the belief that the Group has a responsibility for its contribution to have a lasting impact on the environment. Sustainability is about creating a lasting legacy for the planet and community. The Sustainability Policy will be developed in due course.

Corporate Governance Statement (Cont'd)

L. SUPPLY OF INFORMATION

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

All Directors are provided with an agenda and a set of Board papers at least five (5) working days in advance of each Board meetings. This ensures that Directors have sufficient time to appreciate issues deliberated at the Board meetings and expedite the decision making process. Generally, the Board papers circulated include minutes of the previous Board Meeting and Committees' meetings, quarterly and/or annual financial statements, corporate development, acquisition and disposal proposals, updates from Bursa Securities, list of directors' resolutions passed and summary of directors' dealings in securities during the relevant reported period, if any. The Chairman of the relevant Committees reported to the Board on the key issues deliberated at Committee's meetings. All proceedings of the board meetings are minuted, signed by the Chairman of the meeting and documented appropriately.

The Board is supported by the Company Secretaries who facilitate overall compliance with the MMLR and the Companies Act, 1965 and other relevant laws and regulations.

The Board is regularly updated and advised by the Company Secretaries who are qualified, experienced and competent on new statutory and regulatory requirements, and the resultant implications to the Company and Directors in relation to their duties and responsibilities. The Company Secretaries, who support the Board in ensuring adherence to Board policies and procedures, brief the Board on the proposed contents and timing of material announcements to be made to regulators. The Company Secretaries attend all Board and Committee meetings and ensure that meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained accordingly.

The Board will conduct performance evaluation of Company Secretary when deemed necessary to determine the competency of Company Secretary.

Where considered necessary, the Board as a whole or in their individual capacity may also engage the service of independent professionals on specialised issues in the furtherance of its duties at the Company's expense, subject to the approval of the Executive Chairman cum Group Managing Director or in his absence, the Group Executive Director.

M. BOARD COMMITTEES

The Board has established the following Board Committees to assist the Board in discharging its duties:

- Audit Committee
- Nomination Committee
- Remuneration Committee

Audit Committee

The Audit Committee reviews issues of accounting policies, works closely with the internal and external auditors and maintains a transparent professional relationship with them.

Whenever the need arises, the Audit Committee can have access to the Risk Management Committee and their reports.

The report of the Audit Committee is on pages 13 to 14 of this Annual Report.

Corporate Governance Statement (Cont'd)

M. BOARD COMMITTEES (cont'd)

Nomination Committee

The Nomination Committee is responsible to advise the Board on the nomination of new Board members and/or Board Committee members and assessment of the effectiveness of the Board as a whole, the Committees of the Board, to conduct annual assessment and evaluation on the contribution of each individual Director and effectiveness of the Audit Committee. The Nomination Committee is also responsible for reviewing the Board composition, gender diversity and right mix of skills and balance as well as considering the Board's succession planning and making recommendations for new appointment of Directors and Board Committees as well as identifying training programmes for the Board.

The Nomination Committee Statement is on pages 15 to 17 of this Annual Report.

Remuneration Committee

The composition of the Remuneration Committee is as follows:

- Ahmad Ruslan Zahari Bin Zakaria - Chairman
  (Independent Non-Executive Director)
- Choy Sen @ Chin Kim Sang
  (Executive Chairman cum Group Managing Director)
- Peter Ling Sie Wuong
  (Independent Non-Executive Director)

The Remuneration Committee is responsible for reviewing and recommending the remuneration packages of Executive Director, Non-Executive Director and Senior Management as well as to review the general remuneration policy and procedures of the Group. The individual Director concern abstains from discussion of his/her own remuneration. The aggregate total of Directors' fee is subject to shareholders' approval at the Annual General Meeting. During the financial year under review, one (1) meeting was held to review the remuneration packages of the Directors.

Generally, the remuneration package will be structured according to the skills, experience and performance of the Executive Directors to ensure that the Group attracts and retains the Directors needed to run the Group successfully. The remuneration package of the Non-Executive Directors will depend on their contribution to the Group in terms of their knowledge and experience.

Although the Company had at its 12th Annual General Meeting held on 28 May 2014 obtained shareholders' mandate for the payment of Directors' fees not exceeding RM250,000 for each financial year, the Company will seek specific shareholders' approval should there is any increase in Director's fees in line with Paragraph 7.24 of the MMLR. During the financial year under review, the remuneration packages of the Executive Directors, Senior and Key Officers as well as Independent Non-Executive Directors remain unchanged.

Corporate Governance Statement (Cont'd)

M. BOARD COMMITTEES (cont'd)

Remuneration Committee (cont'd)

The details of the remuneration of Directors of the Company comprising remuneration received/receivable from the Company and subsidiary companies for the financial year under review are as follows:

	Fees (RM'000)	Meeting Allowances (RM'000)	Remuneration (RM'000)
Executive Chairman/Directors	-	-	1,749
Non-Executive Directors	90	-	-

Remuneration Bands	Executive Directors	Non-Executive Directors
Below RM50,000	-	3
RM200,000 – RM300,000	1	-
RM500,000 – RM600,000	1	-
RM700,000 – RM800,000	1	-

For security and confidential reasons, detailed remuneration of individual Directors is not shown. The Board is of the opinion that the transparency and accountability aspects of corporate governance as applicable to Directors' remuneration are appropriately served by the disclosure made above.

Upon review conducted in February 2016, the Board is of the view that the current remuneration level suffices to attract, retain and motivate qualified Directors to serve on the Board.

The duties and responsibilities of the Remuneration Committee are spelt out in its Terms of Reference.

N. DIRECTORS' TRAINING

All Directors (save for Mr Chan Toong San and Mr Chong Jun Heng who were appointed on 29 June 2016) have successfully completed the Mandatory Accreditation Programme prescribed by Bursa Securities. The Directors will continue to identify and attend other training courses to equip themselves effectively to discharge their duties as Director on a continuous basis in compliance with Paragraph 15.08 of the MMLR of Bursa Securities.

The Board, via the Nomination Committee, assesses the training needs of each of its Directors on an annual basis in accordance with the Nomination Committee's Terms of Reference, by determining areas that would best strengthen their contributions to the Board. Review of the trainings accomplished by the Directors and determination of the training needs of each Director was conducted in May 2016 by the Nomination Committee. From the assessment, the Nomination Committee concluded that the Directors have attended adequate trainings enabling them to discharge their responsibilities.

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

Name of Directors	Conferences, Seminars and/or Training
Choy Sen @ Chin Kim Sang	· Board Chairman Series Part 2: Leadership Excellence from the Chair · Management to a Situational & Influential Leadership incorporating Strength Management-LIFO Method (Experiential Learning)
Chin Leong Choy	· Management to a Situational & Influential Leadership incorporating Strength Management-LIFO Method (Experiential Learning)

Corporate Governance Statement (Cont'd)

N. DIRECTORS' TRAINING (cont'd)

Name of Directors	Conferences, Seminars and/or Training
Ng Kok Hok	• Nominating Committee Programme: Part 2 - Effective Board Evaluations • Risk Management and Internal Control Workshop: Is our line of defence adequate and effective? • Technical briefing on computation of percentage ratios under Chapter 10 of Main and ACE market • 2016 Tax & Budget Outlook – Mastering the Structural Shift in the Malaysian Tax System • Leadership workshop: Resolving Conflict in the Boardroom • The New Auditor's Report – Sharing the UK Experience • Personal Data Protection Act and Directors' Duties & Responsibilities
Ahmad Ruslan Zahari Bin Zakaria	• Directors Corporate Governance Series: "Building Effective Finance Function: From Reporting to Analytics to Strategic Inputs" • Leadership workshop: Resolving Conflict in the Boardroom
Chin Kong Yaw	• IQM Sponsored Technical Talk
Peter Ling Sie Wuong	• Bar Council Ethics and Professional Standards Course
Low Choon Lan	• Board Chairman Series Part 2: Leadership Excellence from the Chair • Management to a Situational & Influential Leadership incorporating Strength Management-LIFO Method (Experiential Learning)

The Company Secretaries also facilitate the organisation of internal training programmes and keep Directors informed of relevant external training programmes. The Company Secretaries circulate the relevant guidelines on statutory and regulatory requirements from time to time for the Board's reference and brief the Board quarterly on these updates at Board meetings. The External Auditors also briefed the Board members on any changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements during the year.

O. RELATIONSHIP WITH SHAREHOLDERS AND INVESTORS

The Annual General Meeting ("AGM") remains the principal forum for dialogue with the shareholders. Notice of AGM together with a copy of the Company's Annual Report were issued to shareholders at least twenty one (21) days before the meeting.

The Notice of the AGM provides information to the shareholders with regard to details of the AGM, their entitlement to attend and vote in the AGM, the right to appoint a proxy and also the qualifications of a proxy.

At the AGM, shareholders are encouraged to raise any questions that they may have pertaining to any issues regarding the Group.

The Executive Chairman cum Group Managing Director, assisted by the Directors is available to answer any queries and discuss matters pertaining to the business activities of the Group.

During the last AGM, a question and answer session was held where the Executive Chairman cum Group Managing Director invited shareholders to raise questions with responses from the Board. All the resolutions set out in the Notice of the 13th AGM were put to vote by show of hands and duly passed. The outcome of the 13th AGM was announced to Bursa Securities on the same meeting day.

Corporate Governance Statement (Cont'd)

O. RELATIONSHIP WITH SHAREHOLDERS AND INVESTORS (cont'd)

Encourage Poll Voting

In accordance with the MMLR, the Board will conduct poll voting for resolutions relating to related party transactions or as may be demanded by the shareholders respectively.

The Board is also encouraged to put substantive resolution to vote by way of poll at the general meetings. The Chairman will inform the shareholders of the Company of their right to demand for a poll vote at the commencement of a general meeting.

At the Extraordinary General Meeting ("EGM") held on 16 March 2016, the resolutions relating to related party transactions were voted by way of poll and duly passed. The outcome of the EGM including the total number of votes cast on the poll together with the percentage in favour of and against the resolutions was announced to Bursa Securities on the same day.

Corporate Disclosure Policy

The disclosure of corporate information of the Company is guided by the Corporate Disclosure Guideline issued by Bursa Securities and the Company is applying the corporate disclosure guide, where applicable. The Corporate Disclosure Policy is in place to raise awareness and provide guidance to the Board of Directors, Management, officers and employees on the Company's disclosure requirements and practices.

Leverage on Information Technology for Effective Dissemination of Information

Shareholders, investors and the general public can obtain information on the Company such as latest corporate, financial and market information by accessing the Company's website at http://www.minetech.com.my.

This website enhances the Investor Relations (IR) function by including share price information, all announcements made by the Company, latest news of the Company, annual reports as well as the corporate governance section.

Notice of general meetings and outcome of the general meetings are also made available on the website for the benefit of shareholders.

To keep the shareholders and investors informed on the Group's latest business and corporate development, information is also disseminated via annual report, circular to shareholders, press releases, quarterly financial results and various announcements made from time to time to Bursa Securities.

P. ACCOUNTABILITY AND AUDIT

Financial Reporting

In preparing the annual financial statements and quarterly announcements, the Board aims to present a clear, balanced and understandable assessment of the Group's position and prospects. The Audit Committee has assessed whether suitable accounting policies have been adopted and whether management has made appropriate judgements and estimates.

Throughout the financial year, the finance team has worked closely with the external auditors to ensure that significant issues in relation to the financial statements were addressed whilst being mindful of matters that may be business sensitive.

Corporate Governance Statement (Cont'd)

P. ACCOUNTABILITY AND AUDIT (cont'd)

Financial Reporting (cont'd)

The external auditors attended two (2) out of five (5) of the Audit Committee meetings held in the first (1st) and fourth (4th) quarter of the financial year 2016 to present their audit plans and audit finding. The Audit Committee also discussed key concerns and obtained feedback from the external auditors on the matter relating to the Company's affairs during both meetings without the presence of the Management.

Related Party Transactions

The Audit Committee reviews on quarterly basis all related party transactions and conflict of interests that may arise within the Group. The details of related party transactions are set out in Note 30 of the Audited Financial Statements on pages 102.

Risk Management and Internal Control

The Board recognises the importance of establishing and maintaining a sound system of internal controls which cover risk management, financial, organisational, operational and compliance controls. The Board acknowledges its responsibility and accountability for the Company's system of internal controls and for reviewing the effectiveness, adequacy and integrity of the system. The Board has delegated the implementation and monitoring of the internal control system to the Management of the Company and has appointed an independent consultant to carry out the Internal Audit functions. The Audit Committee assists the Board in overseeing this function.

The Board exercises due care to identify, evaluate and manage significant risks faced by the Group. Accordingly, the Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and that this process has been in place.

A Risk Management Committee headed by the Executive Chairman cum Group Managing Director, and comprising key management personnel, has been set up and entrusted with the role of identifying business risks and in ensuring the implementation of appropriate systems to manage these risks.

The Group maintains the three lines of defence approach in its risk management practices. The first line of defence is the line departments, which address the risks on the ground and are responsible for identifying, mitigating, controlling and monitoring risks within their area of operations. The second line of defence comprises the 8 Risk Management Units which perform risk oversight and review the business units' risk profiles, namely manufacturing and sales and marketing of bituminous products, quarry operation, premix operation, sales and marketing of quarry and premix products, civil engineering, procurement and store, human resources, information technology, administration and finance. Practical action plans are recommended and carried out to address any potential weaknesses identified. The third line of defence resides within the function of internal audit. The risk management reports record the changes in the risk profiles and the corresponding action plans are reviewed and discussed at the Board Meetings on quarterly basis.

The Board has reviewed the risk management and internal control system of the Group and is of the view that during the financial year and up to the date of issuance of this Statement, there were no material losses, contingencies or uncertainties arising as a result of weaknesses in the internal control system which would require separate disclosures in this Annual Report.

Information on the Company's risk management framework and internal control system is presented in the Statement on Risk Management and Internal Control of this Annual Report.

Corporate Governance Statement (Cont'd)

P. ACCOUNTABILITY AND AUDIT (cont'd)

Internal Audit Function

The Internal Audit function is in place to assist the Audit Committee to discharge its functions effectively. The Company outsourced the Group's internal audit function to an independent professional firm, namely Audex Governance Sdn Bhd. The Internal Audit function reports directly to the Audit Committee.

For the financial year under review, the internal audit reviews were carried out to assess the adequacy and effectiveness of the Company's subsidiary, Minetech Asphalt Man International Sdn Bhd's systems of internal control and compliance with the Group's policies and procedures over its production.

The review procedures were designed to understand, document, evaluate risks and related controls and to identify areas for improvement and formulate recommendations for improvement thereon. The audit procedures applied principally consisted of process evaluations through interviews with various personnel, observations and testing of controls.

Details of the Company's internal control system and framework are set out in the Statement on Risk Management and Internal Control of this Annual Report.

Relationship with Auditors

The Board via the Audit Committee, maintains an appropriate and transparent relationship with the Group's external and internal auditors.

The Audit Committee also monitors the independence and qualification of external auditors and obtains written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The external auditors provide mainly audit-related services to the Company. Due to their strong knowledge, the external auditors also undertake certain non-audit services such as interim reviews, regulatory reviews and reporting, and other services.

The Audit Committee carried out an annual review of the performance of external auditors, including assessment on their independence in performing their obligations, adequacy of experience and resources of the firm and professional staff assigned to the audit, and the level of non-audit services rendered by the external auditors to the Group during the financial year. Based on the annual evaluation, the Audit Committee was satisfied with the external auditors' technical competency and audit independence and further recommended to the Board the re-appointment of Messrs UHY as external auditors of the Company for the ensuing year.

A summary of the activities of the Audit Committee during the year under review are set out in the Audit Committee Report on pages 13 to 14 of this Annual Report.

STATEMENT ON DIRECTORS' RESPONSIBILITIES

The Board is required under Paragraph 15.26(a) of the MMLR to issue a statement explaining its responsibility for preparing the annual audited financial statements.

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

Corporate Governance Statement (Cont'd)

STATEMENT ON DIRECTORS' RESPONSIBILITIES (cont'd)

The Board considers that, in preparing the financial statements of the Company and of the Group for the financial year ended 31 March 2016 as set out herein on pages 44 to 122 of this Annual Report, the Company and the Group have used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates. The Directors also consider that all applicable approved accounting standards in Malaysia have been followed and confirmed that the financial statements have been prepared on a going concern basis.

The Board is responsible for ensuring that the Company keeps accounting records which disclose the financial position of the Company with reasonable accuracy at any time which enabled them to ensure that the financial statements comply with the provisions of the Companies Act, 1965.

The Board is also responsible for taking such steps that are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

This Statement was made in accordance with a resolution of the Board dated 28 June 2016.

ADDITIONAL COMPLIANCE INFORMATION

Share Buy-Back

There were no share buy-backs for the financial year ended 31 March 2016.

As at 31 March 2016, a total of 285,000 ordinary shares of RM0.15 each were held as treasury shares. None of the treasury shares repurchased has been sold or cancelled.

Options, Warrants or Convertible Securities

Warrants

During the financial year, there was no exercise of warrants.

Save as disclosed above, the Company does not have any options or convertible securities in issue or exercisable during the financial year under review.

Depository Receipt Programme ("DR")

The Company did not sponsor any DR programme during the financial year under review.

Sanctions and/or Penalties

There were no public sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or Management by any regulatory bodies during the financial year under review.

Utilisation of Proceeds

A total of approximately RM49.90 million were raised from the issuance of 332,689,500 new Ordinary Shares of RM0.15 each in the Company together with 332,689,500 free detachable Warrants in December 2014 ("Rights Issue 2014").

Corporate Governance Statement (Cont'd)

ADDITIONAL COMPLIANCE INFORMATION (cont'd)

Utilisation of Proceeds (cont'd)

The Company had at the Extraordinary General Meeting held on 16 March 2016 obtained shareholders' approval on the revision of intended utilisation of proceeds arising from Rights Issue 2014 in which a total of RM20.0 million, originally allocated for purchase of quarry sites would be used to fund the Group's distribution of heavy machineries and working capital requirements.

As at 31 March 2016, our Group has utilised approximately RM19.86 million from the total proceeds arising from Rights Issue 2014, mainly for working capital and repayment of bank borrowings.

The Company also had on 13 July 2016 issued 30,000,000 Ordinary Shares of RM0.15 each at par pursuant to the private placement. The proceeds of RM4,500,000.00 raised from the private placement would be utilised as working capital and defraying of expenses incidental to the private placement.

Non-Audit Fees

The amount of non-audit fees paid to the external auditors or a firm or company affiliated to the external auditors by the Group for the financial year ended 31 March 2016 were RM5,000.00.

Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors and major shareholders' interest, for the financial year ended 31 March 2016.

Variation in Results

There was no variation of 10% or more between the audited results of the Group for the financial year ended 31 March 2016 and the unaudited results previously announced by the Company.

Profit Guarantee

The Company did not make any arrangement during the financial year under review which requires profit guarantee.

Share Issuance Scheme

The Company had at the Extraordinary General Meeting held on 16 March 2016 obtained its shareholders' approval to establish a Share Issuance Scheme ("Scheme") of up to 15% of the issued and paid-up share capital of the Company (excluding treasury shares) at any one time during the duration of the Scheme for the eligible Directors and employees of the Group. Nevertheless, the Company has yet to implement the Scheme during the financial year under review.

CORPORATE SOCIAL RESPONSIBILITY

Minetech Resources Berhad recognises Corporate Social Responsibility as an open and transparent business practice that is based on ethical values and respect for Environment, Workplace (employees), Community and The Marketplace (shareholders, customers, suppliers and stakeholders).

The Group has for the immediate term identified the following factors as its key focus and priority areas as regards to the industry it is in and has committed to strive to achieve the following:

Corporate Governance Statement (Cont'd)

CORPORATE SOCIAL RESPONSIBILITY (cont'd)

Environment

Commitment to ensure control and monitoring improvement for environmental impact.

In this aspect, the Group acknowledges responsibilities for care of the environment. The Group considers environmental factors in operations, strive to implement stringent monitoring of water, noise and dust pollution in the quarries to ensure that they are within the allowable limits and meet the regulatory requirements.

To alleviate general public perception of the quarry industry as damaging and polluting the environment, we are committed to the concept of "Green Quarry" by planting various types of trees/plants to trap the dust, camouflage from the surrounding and to create a greener environment.

The Group encourages and supports the efforts to further enhance environmental protection through more efficient use of natural resources, minimising the production of waste and to reuse and recycle materials whenever feasible.

Workplace

The Group values human capital as its greatest asset. The Group continues to care for the welfare of all employees and is committed to providing an inclusive workplace that embraces and promotes diversity. The Group's diversity encompasses differences in ethnicity, gender, language, age, religion, socio-economic status, physical and mental ability, thinking styles, experience, and education. The Group believes that the wide array of perspectives that results from such diversity promotes innovation and business success.

The Group is also committed to continuous staff development by providing continuous training, education and development to upgrade their skills and advancement in their careers based on performance and academic qualification. The Group also organises local and overseas trips, annual get-togethers for its employees through team building programme and dinners where they can know each other better outside the workplace. This indirectly can enhance their workplace relationship.

The Group's Diversity Policy framework is also aimed towards improving employment and career development opportunities for women.

Community

As a good and responsible corporate citizen, the Group believes in carrying out its duties with integrity, transparency and good governance and contributing towards the well-being of the society. As in the past, the Group provides industrial training and employment opportunities to graduates in disciplines that are relevant to the Group's operations. The Group also continues to contribute to various organisations and charities.

The Marketplace (shareholders)

The Group continues to strive to meet the expectation of its shareholders by enhancing its value.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (the "Board") recognises the importance of a sound system of risk management and internal control to safeguard shareholders' investment and the Group's assets. The Board is pleased to provide the following statement on the state of internal control of the Group in accordance with Paragraph 15.26(b) of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), taking into consideration the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers", for the financial year ended 31 March 2016.

BOARD RESPONSIBILITY

The Board acknowledges the importance of a sound system of risk management and internal control and its overall responsibility for maintaining the Group's system of internal control and risk management (the "system"), as well as for reviewing the adequacy and integrity of the system. In view of the limitations that are inherent in any system of internal control, the system is designed to manage rather than eliminate risk of failure to achieve the Group's corporate objectives. Accordingly, it can only provide reasonable, but not absolute, assurance against the risk of material misstatement of management and financial information and records or against financial losses or fraud.

RISK MANAGEMENT

The Board also recognises that risk management is an integral part of the business operation and, as such, exercises due care to identify, evaluate and manage significant risks faced by the Group. Accordingly, the Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and that this process has been in place up to the date of approval of this statement for inclusion in the annual report and reviewed by the Board.

The Board is assisted by Management in the implementation of risk management processes within the Group. A Risk Management Committee headed by the Executive Chairman cum Group Managing Director, and comprising key management personnel, has been set up and entrusted with the role of identifying business risks and in ensuring the implementation of appropriate systems to manage these risks.

The Group maintains the three lines of defence approach in its risk management practices. The first line of defence is the line departments, which address the risks on the ground and are responsible for identifying, mitigating, controlling and monitoring risks within their area of operations. The second line of defence comprises the 8 Risk Management Units which perform risk oversight and review the business units' risk profiles, namely manufacturing and sales and marketing of bituminous products, quarry operation, premix operation, sales and marketing of quarry and premix products, civil engineering, procurement and store, human resources, information technology, administration and finance. Practical action plans are recommended and carried out to address any potential weaknesses identified. The third line of defence resides within the function of internal audit. The risk management reports record the changes in the risk profiles and the corresponding action plans are reviewed and discussed at the Board Meetings on quarterly basis. Nevertheless, the Audit Committee ("AC") can raise any queries to the Risk Management Committee.

INTERNAL CONTROL

The Board has established an internal control framework that encapsulates the following key features of the Group's internal control system:

1. The Group has a well-defined organisational structure with formally defined lines of responsibilities, delegation of authorities and a process of hierarchical reporting to ensure proper identification of accountabilities and segregation of duties;
2. There are operational approval limits imposed on Management in respect of day-to-day operations and authorised signatories for major operating functions and transactions;
3. The Group maintains formalised policies and procedures which highlight the standard operating procedures for key processes, terms and conditions of employment, benefits and compensation, disciplinary rules and regulations which are relevant across the Group's operations;

Statement On Risk Management And Internal Control (Cont'd)

INTERNAL CONTROL (cont'd)

4. Key functions, such as finance, tax, treasury, corporate and legal matters, are controlled centrally;
5. Training and development programmes are conducted to enhance staff competencies and to maintain a risk conscious culture;
6. An annual budgeting and business planning process is formalised to establish plans and targets for each operating unit. The performance of each operating unit is monitored through the monthly management reports. Actual performance, which is compared with budget, is reviewed quarterly by the Board with explanations provided by Management on any major variances noted;
7. Management meetings are carried out regularly to review the monthly performance, monitor the business development, discuss and resolve key operational and management issues. The financial performance of each subsidiary is reviewed periodically and significant variances or fluctuations against the business plan and budget, if any, are discussed and explained comprehensively. Management also regularly highlights to the Board significant issues and changes in the business environment, major policy matters and external environment affecting the Group;
8. The Board and AC review risk management and internal control issues identified by the internal auditors and the external auditors; and
9. The AC reviews the quarterly financial results and yearly financial statements prior to approval by the Board for release to Bursa Securities. The Board reviews the minutes of the AC meetings.

The Board has received assurance from the Executive Chairman cum Group Managing Director, Group Executive Director and Finance Director that the Group's system of risk management and internal control is operating adequately and effectively in all material aspects.

INTERNAL AUDIT FUNCTION

The internal audit function is in place to assist the Audit Committee discharge its functions effectively. It is considered an integral part of the assurance framework to provide assurance on the adequacy and effectiveness of the risk management and internal control system of the Group. For the financial year under review, the Audit Committee outsourced the Group's internal audit function to an independent professional firm to independently assess the adequacy and effectiveness of the corporate governance and internal control system and provide an independent and objective report on its observations. The internal audit function highlighted its findings, including recommendations to address the findings noted, via the issuance of internal audit reports directly to the Audit Committee. The internal audit reports, incorporating findings, recommendations, Management comments and action plans with regard to the weaknesses and observations in the corporate governance and internal control system, were tabled at Audit Committee meetings and thereafter to the Board for further deliberation. The internal auditors also followed up with Management on the implementation of the agreed recommendations and reported the status thereof to the Audit Committee.

For the financial year ended 31 March 2016, the total costs incurred for the internal audit function amounted to approximately RM18,392.

CONCLUSION

The Board has reviewed the risk management and internal control system of the Group and is of the view that during the financial year and up to the date of issuance of this Statement, there were no material losses, contingencies or uncertainties arising as a result of weaknesses in the internal control system which would require separate disclosures in this Annual Report. Cognizant of the need to maintain a robust risk management and internal control system in meeting the needs of the Group, the Board will take ongoing measures to enhance this system from time to time.

Pursuant to Paragraph 15.23 of the MMLR, the external auditors have reviewed this Statement for inclusion in the 2016 Annual Report.

This Statement is made in accordance with a resolution of the Board dated 28 June 2016.

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 2016.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of investment holding and provision of managerial services. The principal activities of its subsidiary companies are disclosed in Note 7 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	11,198,073	1,720,600
Attributable to:		
Owners of the Parent	10,294,474	1,720,600
Non-controlling interests	903,599	-
	11,198,073	1,720,600

RESERVES AND PROVISIONS

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

DIVIDENDS

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

ISSUE OF SHARES AND DEBENTURES

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

TREASURY SHARES

The Company repurchased 57,000 ordinary shares of RM1.00 each of its issued share capital from the open market in year 2008 at an average price of approximately RM0.84 per share. The total consideration paid for the shares repurchased was RM47,990. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965. These shares have been subsequently subdivided into 285,000 ordinary shares of RM0.20 each on 21 January 2008. None of the treasury shares has been resold, cancelled or distributed as share dividends during the financial year.

As at 31 March 2016, the Company held 285,000 treasury shares out of the total 665,094,000 issued ordinary shares. Further details are disclosed in Note 18 to the financial statements.

Directors' Report (Cont'd)

OPTIONS GRANTED OVER UNISSUED SHARES

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

WARRANT RESERVES

The Warrants 2014/2019 were constituted under the Deed Poll dated 24 October 2014.

As at 31 March 2016, the total numbers of Warrants that remain unexercised were 332,404,500 warrants.

The salient terms of Warrants are disclosed in Note 17 to the financial statements.

DIRECTORS

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

Ahmad Ruslan Zahari Bin Zakaria
Choy Sen @ Chin Kim Sang
Chin Leong Choy
Low Choon Lan (Alternate director to Choy Sen @ Chin Kim Sang)
Ng Kok Hok
Chin Kong Yaw
Peter Ling Sie Wuong
Chan Toong San (Appointed on 29 June 2016)
Chong Jun Heng (Appointed on 29 June 2016)

DIRECTORS' INTERESTS

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

	Number of ordinary shares of RM0.15 each			
	At 1.4.2015	Addition	Disposed	At 31.3.2016
Direct interests				
Choy Sen @ Chin Kim Sang	172,897,020	-	-	172,897,020
Indirect interests				
Low Choon Lan (*)	172,897,020	-	-	172,897,020

(*) *Deemed interest pursuant to Section 134(12)(c) of the Companies Act, 1965 by virtue of the shares held by his/her spouse.*

By virtue of their interests in the shares of the Company, Choy Sen @ Chin Kim Sang and Low Choon Lan are also deemed interested in the shares of all the subsidiary companies during the financial year to the extent that the Company has an interest under Section 6A of the Companies Act, 1965.

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

Directors' Report (Cont'd)

DIRECTORS' BENEFITS

Since the end of the previous financial period, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than certain Directors 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 30 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 all known bad debts had been written off and that adequate allowance had been made for doubtful debts; 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 the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

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

(iii) 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.

(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.

Directors' Report (Cont'd)

OTHER STATUTORY INFORMATION (CONT'D)

(d) In the opinion of the Directors:

(i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial 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; 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 EVENTS

The significant events are disclosed in Note 35 to the financial statements.

SUBSEQUENT EVENTS

The subsequent events are disclosed in Note 36 to the financial statements.

AUDITORS

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

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 12 July 2016.

CHOY SEN @ CHIN KIM SANG

CHIN LEONG CHOY

KUALA LUMPUR

STATEMENT BY DIRECTORS
Pursuant to Section 169(15) of the Companies Act, 1965

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 44 to 121 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2016 and of their financial performance and cash flows for the financial year then ended.

The supplementary information set out in Note 40 to the financial statements on page 122 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 12 July 2016.

CHOY SEN @ CHIN KIM SANG

CHIN LEONG CHOY

KUALA LUMPUR

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

MINETECH RESOURCES BERHAD
(Incorporated in Malaysia)

I, Ng Kok Hok, being the Director primarily responsible for the financial management of Minetech Resources Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 44 to 122 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the)
abovenamed at Kuala Lumpur in the)
Federal Territory on 12 July 2016)

NG KOK HOK

Before me,

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MINETECH RESOURCES BERHAD

Report on the Financial Statements

We have audited the financial statements of Minetech Resources Berhad, which comprise statements of financial position as at 31 March 2016 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 44 to 121.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 March 2016 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

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

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

(b) We have considered the financial statements and the auditors' reports of all the subsidiary companies of which we have not acted as auditors, which are indicated in Note 7 to the financial statements.

Independent Auditors' Report
To The Members Of Minetech Resources Berhad (Cont'd)

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

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

Other Reporting Responsibilities

The supplementary information set out in Note 40 on page 122 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other Matters

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

UHY
Firm Number: AF 1411
Chartered Accountants

CHONG HOU NIAN
Approved Number: 3105/11/16 (J)
Chartered Accountant

KUALA LUMPUR
12 July 2016

STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Note	GROUP 2016 RM	GROUP 2015 RM	COMPANY 2016 RM	COMPANY 2015 RM
Non-Current Assets					
Property, plant and equipment	4	44,565,810	48,084,414	1,218,715	1,519,462
Investment properties	5	1,651,634	1,654,997	-	-
Quarry development expenditure	6	10,893,941	10,670,972	-	-
Investment in subsidiary companies	7	-	-	45,203,505	41,203,507
Investment in associate companies	8	165,636	-	-	-
		57,277,021	60,410,383	46,422,220	42,722,969
Current Assets					
Inventories	9	7,942,967	8,191,303	-	-
Trade receivables	10	20,541,926	27,775,210	-	-
Other receivables	11	18,626,694	12,992,362	2,485,664	218,496
Amount due from customers for contract works	12	3,117,758	1,228,533	-	-
Amount due by subsidiary companies	13	-	-	36,083,939	24,431,709
Tax recoverable		650,266	-	39,449	-
Other investment	14	14,272,772	32,159,318	14,272,772	32,159,318
Fixed deposits with licensed banks	15	2,814,176	3,400,217	-	-
Cash and bank balances		13,039,115	19,899,055	3,181,135	1,252,948
		81,005,674	105,645,998	56,062,959	58,062,471
Total Assets		138,282,695	166,056,381	102,485,179	100,785,440
Equity					
Share capital	16	99,764,100	99,764,100	99,764,100	99,764,100
Reserves	17	(11,513,931)	(1,001,918)	(3,565,950)	(1,845,350)
Treasury shares	18	(47,990)	(47,990)	(47,990)	(47,990)
Equity attributable to owners of the parent		88,202,179	98,714,192	96,150,160	97,870,760
Non-controlling interests		299,695	1,151,113	-	-
Total Equity		88,501,874	99,865,305	96,150,160	97,870,760

Statements Of Financial Position
As At 31 March 2016 (Cont'd)

		GROUP		COMPANY	
		2016	2015	2016	2015
	Note	RM	RM	RM	RM
Non-Current Liabilities					
Loans and borrowings	19	9,815,548	9,448,701	628,018	1,032,818
Deferred tax liabilities	20	944,900	2,017,200	-	-
		10,760,448	11,465,901	628,018	1,032,818
Current Liabilities					
Trade payables	21	20,954,818	36,300,746	-	-
Other payables	22	6,901,183	7,992,943	661,192	526,919
Amount due to customers for contract works	12	228,724	2,115,434	-	-
Amount due to subsidiary companies	13	-	-	4,655,529	951,109
Loans and borrowings	19	10,935,648	7,729,383	390,280	390,280
Tax payable		-	586,669	-	13,554
		39,020,373	54,725,175	5,707,001	1,881,862
Total Liabilities		49,780,821	66,191,076	6,335,019	2,914,680
Total Equity and Liabilities		138,282,695	166,056,381	102,485,179	100,785,440

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 2016

	Note	GROUP 1.4.2015 to 31.3.2016 RM	GROUP 1.1.2014 to 31.3.2015 RM	COMPANY 1.4.2015 to 31.3.2016 RM	COMPANY 1.1.2014 to 31.3.2015 RM
Revenue	23	105,106,795	206,869,992	5,645,436	6,820,517
Cost of sales		(99,275,263)	(186,895,242)	-	-
Gross profit		5,831,532	19,974,750	5,645,436	6,820,517
Other income		5,864,212	5,000,477	924,542	1,175,945
Administrative expenses		(21,541,906)	(20,638,384)	(8,166,708)	(7,557,354)
Selling and marketing expenses		(490,166)	(970,784)	-	-
Finance costs	24	(1,254,299)	(1,905,045)	(76,826)	(191,097)
Share of results of associate acompanies		(201,913)	(122,500)	-	-
(Loss)/Profit before taxation	25	(11,792,540)	1,338,514	(1,673,556)	248,011
Taxation	26	594,467	(785,825)	(47,044)	(92,813)
Net (loss)/profit for the financial year/period		(11,198,073)	552,689	(1,720,600)	155,198
Other comprehensive income					
Items that are or may be reclassified subsequently to profit or loss					
- Exchange translation differences for foreign operations		(177,669)	183,517	-	-
Total comprehensive income for the financial year/period		(11,375,742)	736,206	(1,720,600)	155,198
(Loss)/Profit for the financial year/period attributable to:					
Owners of the parent		(10,294,474)	642,581	(1,720,600)	155,198
Non-controlling interests		(903,599)	(89,892)	-	-
		(11,198,073)	552,689	(1,720,600)	155,198

Statements Of Profit Or Loss And Other Comprehensive Income For The Financial Year Ended 31 March 2016 (Cont'd)

	Note	GROUP 1.4.2015 to 31.3.2016 RM	GROUP 1.1.2014 to 31.3.2015 RM	COMPANY 1.4.2015 to 31.3.2016 RM	COMPANY 1.1.2014 to 31.3.2015 RM
Total comprehensive income attributable to:					
Owners of the parent		(10,472,143)	826,098	(1,720,600)	155,198
Non-controlling interests		(903,599)	(89,892)	-	-
		(11,375,742)	736,206	(1,720,600)	155,198
(Loss)/Earnings per share					
Basic (sen)	27	(1.5485)	0.1519		
Diluted (sen)	27	(1.5485)	0.1519		

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

		Attributable to Owners of the Parent									
		Non-distributable									
	Note	Share capital RM	Share premium RM	Treasury shares RM	Foreign currency translation reserve RM	Warrant reserve RM	Other reserve RM	Accumulated losses RM	Total RM	Non-controlling interests RM	Total equity RM
Group											
At 1 January 2014		66,537,900	1,920,850	(47,990)	217,586	-	-	(19,470,704)	49,157,642	1,710,637	50,868,279
Net profit/(loss) for the financial period		-	-	-	-	-	-	642,581	642,581	(89,892)	552,689
Other comprehensive income:											
Foreign exchange translation reserve		-	-	-	183,517	-	-	-	183,517	-	183,517
Total comprehensive income for the financial period		-	-	-	183,517	-	-	642,581	826,098	(89,892)	736,206
Transactions with owners:											
Par value reduction	16	(16,634,475)	-	-	-	-	-	16,634,475	-	-	-
Changes in ownership interest in subsidiary companies		-	-	-	-	-	-	-	-	(469,632)	(469,632)
Issue of ordinary shares	16,17	49,860,675	(1,130,223)	-	-	-	-	-	48,730,452	-	48,730,452
Issue of warrants	17	-	-	-	-	21,971,937	(21,971,937)	-	-	-	-
		33,226,200	(1,130,223)	-	-	21,971,937	(21,971,937)	16,634,475	48,730,452	(469,632)	48,260,820
At 31 March 2015		99,764,100	790,627	(47,990)	401,103	21,971,937	(21,971,937)	(2,193,648)	98,714,192	1,151,113	99,865,305

Statements Of Changes In Equity
For The Financial Year Ended 31 March 2016 (Cont'd)

	Attributable to Owners of the Parent									
	Non-distributable									
	Share capital RM	Share premium RM	Treasury shares RM	Foreign currency translation reserve RM	Warrant reserve RM	Other reserve RM	Accumulated losses RM	Total RM	Non-controlling interests RM	Total equity RM
Group										
At 1 April 2015	99,764,100	790,627	(47,990)	401,103	21,971,937	(21,971,937)	(2,193,648)	98,714,192	1,151,113	99,865,305
Net loss for the financial year	-	-	-	-	-	-	(10,294,474)	(10,294,474)	(903,599)	(11,198,073)
Other comprehensive income:										
Foreign exchange translation reserve	-	-	-	(177,669)	-	-	-	(177,669)	-	(177,669)
Total comprehensive income for the financial year	-	-	-	(177,669)	-	-	(10,294,474)	(10,472,143)	(903,599)	(11,375,742)
Transactions with owners:									-	
Disposal of a subsidiary company	-	-	-	(39,870)	-	-	-	(39,870)	52,181	12,311
At 31 March 2016	99,764,100	790,627	(47,990)	183,564	21,971,937	(21,971,937)	(12,488,122)	88,202,179	299,695	88,501,874

Statements Of Changes In Equity
For The Financial Year Ended 31 March 2016 (Cont'd)

	Note	Non-distributable						
		Share capital RM	Share premium RM	Treasury shares RM	Warrant reserve RM	Other reserve RM	Accumulated losses RM	Total equity RM
Company								
At 1 January 2014		66,537,900	1,920,850	(47,990)	-	-	(19,425,650)	48,985,110
Net profit for the financial period representing total comprehensive income for the financial period		-	-	-	-	-	155,198	155,198
Transactions with owners:								
Par value reduction	16	(16,634,475)	-	-	-	-	16,634,475	-
Issue of ordinary shares	16,17	49,860,675	(1,130,223)	-	-	-	-	48,730,452
Issue of warrants	17	-	-	-	21,971,937	(21,971,937)	-	-
		33,226,200	(1,130,223)	-	21,971,937	(21,971,937)	16,634,475	48,730,452
At 31 March 2015		99,764,100	790,627	(47,990)	21,971,937	(21,971,937)	(2,635,977)	97,870,760
At 1 April 2015		99,764,100	790,627	(47,990)	21,971,937	(21,971,937)	(2,635,977)	97,870,760
Net loss for the financial year, representing total comprehensive loss for the financial year		-	-	-	-	-	(1,720,600)	(1,720,600)
At 31 March 2016		99,764,100	790,627	(47,990)	21,971,937	(21,971,937)	(4,356,577)	96,150,160

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

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

	GROUP		COMPANY	
	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/Profit before taxation	(11,792,540)	1,338,514	(1,673,556)	248,011
Adjustments for:				
Amortisation of quarry development expenditure	759,916	757,099	-	-
Allowance for foreseeable losses for contract works	-	327,134	-	-
Bad debts written off	469	193,113	-	-
Depreciation of investment properties	3,363	4,204	-	-
Depreciation of property, property, plant and equipment	8,829,547	12,934,058	347,350	159,375
Fair value gain on financial assets at fair value through profit or loss	(763,454)	(159,318)	(763,454)	(159,318)
Gain on disposal of subsidiary companies	(91,081)	(1,915,225)	-	(980,000)
Impairment loss on:				
- other receivables	-	28,000	-	-
- trade receivables	1,290,173	1,513,165	-	-
- quarry development expenditure	-	890,977	-	-
Interest expenses	1,062,205	1,715,298	74,586	188,999
Interest income	(164,592)	(420,373)	(5,436)	(360,517)
Inventories written down	2,077,281	-	-	-
Inventories written off	560,429	-	-	-
Loss/(Gain) on disposal of property, plant and equipment	1,895,192	312,159	-	(30,131)
Property, plant and equipment written off	33,100	304,857	-	9,979
Reversal of impairment loss on trade receivables	(1,793,028)	(636,287)	-	-
Share of loss on associate companies	201,913	122,500	-	-
Unrealised gain on foreign exchange	(137,998)	(121,947)	(161,088)	-
Operating (loss)/profit before working capital changes	1,970,895	17,187,928	(2,181,598)	(923,602)

Statements Of Cash Flows
For The Financial Year Ended 31 March 2016 (Cont'd)

	NOTE	GROUP 1.4.2015 to 31.3.2016 RM	GROUP 1.1.2014 to 31.3.2015 RM	COMPANY 1.4.2015 to 31.3.2016 RM	COMPANY 1.1.2014 to 31.3.2015 RM
CASH FLOWS FROM OPERATING ACTIVITIES (CONT'D)					
Change in working capital:					
Quarry development expenditure		(1,058,908)	(4,779,358)	-	-
Inventories		(2,389,374)	(1,201,555)	-	-
Trade receivables		7,704,768	14,313,740	-	-
Other receivables		(5,634,332)	(10,413,272)	(2,267,168)	(195,808)
Customers for contract works		(3,775,935)	(1,729,118)	-	-
Trade payables		(15,345,928)	(4,471,498)	-	-
Other payables		(985,364)	3,338,379	134,273	(368,001)
Subsidiary companies		-	-	(9,286,722)	(14,708,014)
		(21,485,073)	(4,942,682)	(11,419,617)	(15,271,823)
Cash (used in)/ generated from operations		(19,514,178)	12,245,246	(13,601,215)	(16,195,425)
Interest received		164,592	420,373	5,436	360,517
Interest paid		(1,062,205)	(1,715,298)	(74,586)	(188,999)
Tax paid		(1,714,767)	(1,272,100)	(100,047)	(95,179)
		(2,612,380)	(2,567,025)	(169,197)	76,339
Net cash (used in)/from operating activities		(22,126,558)	9,678,221	(13,770,412)	(16,119,086)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment	4(c)	(2,338,726)	(11,310,262)	(46,603)	(85,790)
Acquisition of subsidiary companies		-	-	(2,499,998)	(750,051)
Investment in subsidiary companies by non-controlling interests		-	475,049	-	-
Investment in associate companies		(367,549)	(122,500)	-	-
Proceeds from disposal of property, plant and equipment	7(b)	913,313	4,383,709	-	48,000
Net of cash inflows/ (outflows) from disposal of subsidiary companies		4,224	(1,236,576)	-	-
Proceed/(Purchase) of financial assets at fair value through profit or loss		18,650,000	(32,000,000)	18,650,000	(32,000,000)
Net cash from/(used in) investing activities		16,861,282	(39,810,580)	16,103,399	(32,787,841)

Statements Of Cash Flows
For The Financial Year Ended 31 March 2016 (Cont'd)

	GROUP		COMPANY	
	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM
CASH FLOWS FROM FINANCING ACTIVITIES				
Decrease in fixed deposits pledged	596,028	1,119,332	-	2,241,894
Repayment of term loans	(48,041)	(6,292,079)	-	(5,600,000)
Repayment of finance lease payables	(4,062,429)	(4,440,359)	(404,800)	(152,767)
Net changes on short term borrowings	(890,780)	(709,623)	-	-
Proceeds from issuance of shares	-	49,860,675	-	49,860,675
Share issues expenses	-	(1,130,223)	-	(1,130,223)
Net cash (used in)/from financing activities	(4,405,222)	38,407,723	(404,800)	45,219,579
Net (decrease)/increase in cash and cash equivalents	(9,670,518)	8,275,364	1,928,187	(3,687,348)
Effects of exchange rate changes	(15,998)	305,464	-	-
Cash and cash equivalents at the beginning of the financial year/period	18,994,755	10,413,927	1,252,948	4,940,296
Cash and cash equivalents at the end of the financial year/period	9,308,239	18,994,755	3,181,135	1,252,948
Cash and cash equivalents at the end of the financial year/period comprises:				
Cash and bank balances	13,039,115	19,899,055	3,181,135	1,252,948
Fixed deposits with licensed banks	2,814,176	3,400,217	-	-
Bank overdrafts	(3,740,863)	(904,300)	-	-
	12,112,428	22,394,972	3,181,135	1,252,948
Less: Fixed deposits pledged to licensed banks	(2,804,189)	(3,400,217)	-	-
	9,308,239	18,994,755	3,181,135	1,252,948

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

NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2016

1. CORPORATE INFORMATION

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

The principal place of business of the Company is located at G12, Ground Floor, FAS Business Avenue, Jalan Perbandaran, 47301 Petaling Jaya, Selangor Darul Ehsan.

The registered office of the Company is located at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are those of investment holding and provision of managerial services. The principal activities of its subsidiary companies are disclosed in Note 7 to the financial statements.There have been no significant changes in the nature of these activities of the Company and its subsidiary companies during the financial year.

2. BASIS OF PREPARATION

(a) Statement of Compliance

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

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

Adoption of new and amended standards

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

Amendments to MFRS 119	Defined Benefits Plans: Employee Contributions
Annual Improvements to MFRSs 2010 – 2012 Cycle	
Annual Improvements to MFRSs 2011 – 2013 Cycle	

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

Notes To The Financial Statements
31 March 2016 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of Compliance (continued)

Standards issued but not yet effective

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

		Effective dates for financial periods beginning on or after
MFRS 14	Regulatory Deferral Account	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle		1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 107	Disclosure Initiative	1 January 2017
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 15	Clarifications to MFRS 15	1 January 2018
MFRS 16	Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

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

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

Notes To The Financial Statements
31 March 2016 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of Compliance (continued)

Standards issued but not yet effective (continued)

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

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

MFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income without subsequent recycling to profit or loss. There is now a new expected credit losses model that replaces the incurred loss impairment model used in MFRS 139. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. MFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under MFRS 139.

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

MFRS 15 *Revenue from Contracts with Customers*

MFRS 15 replaces MFRS 118 *Revenue*, MFRS 111 *Construction Contracts* and related IC Interpretations. The Group is in the process of assessing the impact of this Standard. The Standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The core principle in MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Notes To The Financial Statements
31 March 2016 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of Compliance (continued)

Standards issued but not yet effective (continued)

MFRS 16 *Leases*

MFRS 16, which upon the effective date will supersede MFRS 117 *Leases*, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under MFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, MFRS 117.

In respect of the lessor accounting, MFRS 16 substantially carries forward the lessor accounting requirements in MFRS 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The directors of the Group and the Company will assess the impact of the application of MFRS 16. For the moment, it is not practicable to provide a reasonable estimate of the effect of the application of MFRS 16 until the Group performs a detailed review.

(b) Functional and presentation currency

These 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 amount of the asset or liability affected in the future.

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 period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

Notes To The Financial Statements
31 March 2016 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

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

Key sources of estimation uncertainty (continued)

Useful lives of property, plant and equipment and investment properties

The Group and the Company regularly review the estimated useful lives of property, plant and equipment and investment properties 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 and investment properties would increase the recorded depreciation and decrease the value of property, plant and equipment and investment properties.

The carrying amount at the reporting date for property, plant and equipment and investment properties are disclosed in Notes 4 and 5 respectively.

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 20.

Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories. Details of inventories are disclosed in Note 9.

Construction Contracts

The Group recognises construction contracts revenue and expenses in the profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that construction costs incurred for work performed to date bear to the estimated total construction costs.

Significant judgement is required in determining the stage of completion, the extent of the construction costs incurred, the estimated total construction revenue and costs, as well as the recoverability of the construction projects. In making the judgement, the Group evaluates based on experience and by relying on the work of specialists. The details of construction contracts are disclosed in Notes 12.

Notes To The Financial Statements
31 March 2016 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

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

Key sources of estimation uncertainty (continued)

Impairment of loans and receivables

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

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amounts at the reporting date for loans and receivables are disclosed in Notes 10, 11 and 13 respectively.

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 and the Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. As at 31 March 2016, the Group and the Company have tax recoverable of RM650,266 (2015: RM Nil) and RM39,449 (2015: RM Nil) respectively and tax payable of RM Nil (2015: RM586,669) and RM Nil (2015: RM13,554) respectively.

Contingent liabilities

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and internal and external experts to the Group, for matters in the ordinary course of business. Details of contingent liabilities are disclosed in Note 29.

Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the Note 32(c) regarding financial assets and liabilities. In applying the valuation techniques management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting period.

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of consolidation

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

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

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. Contingent consideration that is deemed to be an asset or liability is recognised in accordance with MFRS 139 *Financial Instruments: Recognition and Measurement*, is measured at fair value with the changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. 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(n) to the financial statements on impairment of non-financial assets.

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (continued)

(ii) 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.

(iii) 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.

(iv) Goodwill on consolidation

The excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary 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(n) to the financial statements on impairment of non-financial assets.

(b) Investments in associate companies

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

On acquisition of an investment in an associate, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of associate's profit or loss for the period in which the investment is acquired.

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Investments in associate companies (continued)

An associate is equity accounted for from the date on which the investee becomes an associate. Under the equity method, on initial recognition the investment in an associate is recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of profit or loss and other comprehensive income of the associate after the date of acquisition. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Profits or losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the associate. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the assets transferred.

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

After application of the equity method, the Group applies MFRS 139 to determine whether it is necessary to recognise any additional impairment loss with respect to its net investment in the associate. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with MFRS 136 *Impairment of Assets* as a single asset, by comparing its recoverable amount (higher of value-in-use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

In the Company's separate financial statements, investments in associates 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(n) to the financial statements on impairment of non-financial assets.

(c) Foreign currency translation

(i) Foreign currency transactions and balances

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

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Foreign currency translation (continued)

(i) Foreign currency transactions and balances (continued)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are included in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

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

(ii) Foreign operations

The assets and liabilities of foreign operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at the rate of exchange prevailing at the reporting date, except for goodwill and fair value adjustments arising from business combinations before 1 January 2012 (the date of transition to MFRS) which are treated as assets and liabilities of the Company. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve ("FCTR") in equity. However, if the operation is a non-wholly owned subsidiary company, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed off such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary company that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Property, plant and equipment

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

(i) Recognition and measurement

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

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.

Capital work-in-progress consists of buildings and plant and machinery under construction / installation for intended use as production facilities. The amount is stated at cost until the property, plant and equipment are ready for their intended use.

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.

(ii) Subsequent costs

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

(iii) Depreciation

Depreciation is recognised in the profit or loss on straight line basis to write off the cost of each asset to its residual value over its estimated useful life. Freehold land is not depreciated. 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 its intended use.

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Property, plant and equipment (continued)

(iii) Depreciation

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

Buildings and improvements	50 - 99 years
Plant and machinery	10 years
Motor vehicles	5 years
Furniture, fittings and office equipment	5 - 10 years
Workshop cum site office	22 - 50 years
Access road	7 - 9 years

Spare parts which are held for use in the production or supply of goods are expected to be used during more than one period, and thus are classified under property, plant and equipment. The cost will be charged out to profit or loss when utilised.

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

(e) Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

Investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The leasehold buildings are depreciated over remaining period of the lease.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(n) to the financial statements on impairment of non-financial assets.

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.

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Quarry development expenditure

Quarry development expenditure comprises direct cost of development, cost of site infrastructure and other related expenses. Quarry development expenditure is amortised upon commencement of rock extraction activities. Amortisation is calculated by reference to the output for the year over the total estimated reserve, which will be extracted during the duration of the quarry contract, so as to write off the quarry development expenditure. The quarry development expenditure is written off immediately to profit or loss to the extent that the unamortised balance is no longer probable of being recovered.

(g) 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 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 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 on the statements 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 and measured using fair value model.

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 period in which they are incurred.

Leasehold land which in substance is an operating lease is classified as prepaid land lease payments.

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) 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 categories:

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

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets that are designated into this category upon initial recognition. A financial asset is classified in this category if it is acquired principally for the purpose of selling it in the near term. Derivatives, including separated embedded derivatives, are also categorised as held for trading unless they are designated as effective hedging instruments. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

After initial recognition, financial assets in this category are measured at fair value with any gains or losses arising from changes in the fair values recognised in profit or loss in the period in which the changes arise.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

(ii) Loans and receivables

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

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

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

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Financial assets (continued)

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

(i) 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.

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

(i) 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.

(ii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specific payment to reimburse the holder for a loss it incurs because a specific debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, 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 recognised less cumulative amortisation.

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.

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is 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.

(k) Inventories

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

Cost is determined on a first-in-first out basis. Cost of raw and packaging materials, spare parts and consumables consists of purchase price plus the cost of bringing the inventories to their present location and condition. The cost of quarry and bituminous products includes cost of direct material, direct labour and an appropriate proportion of production overheads (based on normal operating capacity).

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

(l) Construction contracts

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 period of contract as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period. 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 period 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 probably 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 reporting period 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.

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Cash and cash equivalents

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

(n) Impairment of assets

(i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories, amount due from contract customers and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For 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.

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

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset.

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

(ii) Financial assets

All financial assets, other than investments in subsidiary companies and associates 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.

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Impairment of assets (continued))

(ii) Financial assets (continued)

Financial assets carried at amortised cost

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

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

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

(o) Share capital

(i) Ordinary shares

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.

(ii) Treasury shares

When issued share of the Company are repurchased, the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares in the statement of changes in equity. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of the treasury shares.

When treasury shares are distributed as share dividends, the cost of the treasury shares is applied as a reduction of the share premium account or the distributable retained earnings or both.

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Share capital (continued)

(ii) Treasury shares (continued)

When treasury shares are sold or reissued subsequently, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

(p) 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 period.

(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.

(q) Revenue recognition

(i) Turnkey quarry services

Revenue from the provision of turnkey quarry services is recognised in the profit or loss by reference to the quantity of stockpiles produced.

(ii) Sale of goods

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

(iii) Construction contracts

Revenue from construction contracts is accounted in accordance to the accounting policies as described in Note 3(l) to the financial statements.

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Revenue recognition (continued)

(iv) 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.

(v) Interest income

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

(vi) Management fee

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

(vii) Dividend income

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

(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 period of time to get ready for theirs intended use or sale, are capitalised as part of the cost of those assets. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group 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.

(s) 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 period, 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 statements of financial position and their tax bases. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Notes To The Financial Statements
31 March 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Income taxes (continued)

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

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

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

Unutilised reinvestment allowance, being tax incentives that is not a tax base of an asset, is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against the unutilised tax incentive can be utilised.

(t) 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.

(u) Contingencies

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

Notes To The Financial Statements
31 March 2016 (Cont'd)

4. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM	Buildings and improvements RM	Plant and machinery RM	Motor vehicles RM	Furniture, fittings and office equipment RM	Workshop cum site office RM	Access road RM	Capital work-in -progress RM	Total RM
Group									
2016									
Cost									
At 1 April 2015	1,793,698	3,452,297	120,039,540	6,737,201	2,609,151	395,804	648,524	664,709	136,340,924
Additions	-	-	7,102,515	788,120	185,890	-	-	-	8,076,525
Disposals	-	-	(9,665,953)	(849,274)	-	-	-	-	(10,515,227)
Written off	-	-	(331,000)	-	-	-	-	-	(331,000)
Reclassification	-	588,209	76,500	-	-	-	-	(664,709)	-
Reclassified from quarry development expenditure (Note 6)	-	-	76,023	-	-	-	-	-	76,023
At 31 March 2016	1,793,698	4,040,506	117,297,625	6,676,047	2,795,041	395,804	648,524	-	133,647,245
Accumulated depreciation									
At 1 April 2015	-	583,252	81,360,848	4,171,383	1,203,233	289,270	648,524	-	88,256,510
Charge for the financial year	-	58,056	7,725,162	751,055	285,112	10,162	-	-	8,829,547
Disposals	-	-	(6,912,786)	(793,936)	-	-	-	-	(7,706,722)
Written off	-	-	(297,900)	-	-	-	-	-	(297,900)
At 31 March 2016	-	641,308	81,875,324	4,128,502	1,488,345	299,432	648,524	-	89,081,435
Carrying amount									
At 31 March 2016	1,793,698	3,399,198	35,422,301	2,547,545	1,306,696	96,372	-	-	44,565,810

Notes To The Financial Statements
31 March 2016 (Cont'd)

4. PROPERTY, PLANT AND EQUIPMENT (COND'T)

	Freehold land RM	Buildings and improvements RM	Plant and machinery RM	Motor vehicles RM	Furniture, fittings and office equipment RM	Workshop cum site office RM	Access road RM	Capital work-in -progress RM	Total RM
Group									
2015									
Cost									
At 1 January 2014	1,793,698	4,184,399	113,855,010	6,274,832	1,944,810	372,204	648,524	7,356,570	136,430,047
Additions	-	-	16,343,527	1,667,505	812,572	25,000	-	710,273	19,558,877
Disposals	-	-	(9,528,830)	(729,708)	(330,081)	-	-	-	(10,588,619)
Disposals of a subsidiary company	-	-	(3,787,893)	(245,000)	(305,472)	-	-	-	(4,338,365)
Written off	-	-	(221,884)	(39,422)	(705,777)	(1,400)	-	(3,752,533)	(4,721,016)
Reclassification	-	(732,102)	3,379,610	(191,006)	1,193,099	-	-	(3,649,601)	-
At 31 March 2015	1,793,698	3,452,297	120,039,540	6,737,201	2,609,151	395,804	648,524	664,709	136,340,924
Accumulated depreciation									
At 1 January 2014	-	881,946	75,260,715	4,274,231	1,421,535	279,837	648,524	-	82,766,788
Charge for thefinancial period	-	68,893	11,915,209	709,571	230,342	10,043	-	-	12,934,058
Disposals	-	-	(4,944,928)	(678,118)	(269,705)	-	-	-	(5,892,751)
Disposals of a subsidiary company	-	-	(737,815)	(98,000)	(45,949)	-	-	-	(881,764)
Written off	-	-	(134,340)	(36,301)	(498,572)	(608)	-	-	(669,821)
Reclassification	-	(367,587)	2,007	-	365,582	(2)	-	-	-
At 31 March 2015	-	583,252	81,360,848	4,171,383	1,203,233	289,270	648,524	-	88,256,510
Accumulated impairment loss									
At 1 January 2014	-	-	-	-	-	-	-	3,746,338	3,746,338
Written off	-	-	-	-	-	-	-	(3,746,338)	(3,746,338)
At 31 March 2015	-	-	-	-	-	-	-	-	-
Carrying amount									
At 31 March 2015	1,793,698	2,869,045	38,678,692	2,565,818	1,405,918	106,534	-	664,709	48,084,414

Notes To The Financial Statements
31 March 2016 (Cont'd)

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

	Motor vehicles RM	Computer RM	Office equipment RM	Total RM
Company				
2016				
Cost				
At 1 April 2015	934,654	747,272	12,910	1,694,836
Additions	-	22,100	24,503	46,603
At 31 March 2016	934,654	769,372	37,413	1,741,439
Accumulated depreciation				
At 1 April 2015	95,144	76,895	3,335	175,374
Charge for the financial year	192,752	151,472	3,126	347,350
At 31 March 2016	287,896	228,367	6,461	522,724
Carrying amount				
At 31 March 2016	646,758	541,005	30,952	1,218,715

	Motor vehicles RM	Computer RM	Furniture and fittings RM	Office equipment RM	Total RM
Company					
2015					
Cost					
At 1 January 2014	178,683	28,948	578	31,571	239,780
Additions	934,654	727,000	-	-	1,661,654
Disposal	(178,683)	-	-	-	(178,683)
Written off	-	(8,676)	(578)	(18,661)	(27,915)
At 31 March 2015	934,654	747,272	-	12,910	1,694,836
Accumulated depreciation					
At 1 January 2014	160,814	19,411	451	14,073	194,749
Charge for the financial period	95,144	62,246	13	1,972	159,375
Disposal	(160,814)	-	-	-	(160,814)
Written off	-	(4,762)	(464)	(12,710)	(17,936)
At 31 March 2015	95,144	76,895	-	3,335	175,374
Carrying amount					
At 31 March 2015	839,510	670,377	-	9,575	1,519,462

Notes To The Financial Statements
31 March 2016 (Cont'd)

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

(a) The carrying amount of leased property, plant and equipment of the Group and of the Company acquired under finance lease are as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Furniture fittings, and office equipment	515,283	668,840	515,283	668,840
Motor vehicles	2,341,814	1,754,449	646,758	839,510
Plant and machinery	13,774,278	12,643,292	-	-
	16,631,375	15,066,581	1,162,041	1,508,350

Leased assets are pledged as security for the related finance lease liabilities.

(b) The carrying amount of property, plant and equipment of the Group pledged as securities to licensed banks for credit facilities granted as disclosed in Note 19 to the financial statements are as follows:

	GROUP	
	2016 RM	2015 RM
Freehold land	1,793,698	1,793,698
Buildings and improvements	2,314,857	1,770,791
Plant and machinery	-	3,050,078
	4,108,555	6,614,567

(c) The aggregate additional cost for the property, plant and equipment of the Group and of the Company under finance lease financing and cash payments are as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Aggregate costs	8,076,525	19,558,877	46,603	1,661,654
Less: Finance lease financing	(5,737,799)	(8,248,615)	-	(1,575,864)
Cash payment	2,338,726	11,310,262	46,603	85,790

Notes To The Financial Statements
31 March 2016 (Cont'd)

5. INVESTMENT PROPERTIES

	GROUP 2016 RM	GROUP 2015 RM
Cost		
At beginning/end of the financial year/period	1,711,329	1,711,329
Accumulated depreciation		
At beginning of the financial year/period	56,332	52,128
Charge for the financial year/period	3,363	4,204
At the end of the financial year/period	59,695	56,332
Carrying amount	1,651,634	1,654,997
Fair value	2,470,000	2,557,000

(a) Investment properties under leases

Investment properties comprise leasehold commercial offices that are leased to third parties. The remaining lease period for the said properties range from 80 to 85 years (2015: 81 to 86 years).

(b) Fair value basis of investment properties

Fair value of investment properties was estimated by the Directors based on internal appraisal of market value of comparable properties. The fair values are within Level 2 of the fair value hierarchy.

(c) Income and expenses recognised in profit or loss

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

	GROUP 1.4.2015 to 31.3.2016 RM	GROUP 1.1.2014 to 31.3.2015 RM
Rental income	132,800	153,900
Direct operating expenses		
- income generating investment properties	31,940	20,775

6. QUARRY DEVELOPMENT EXPENDITURE

	GROUP 2016 RM	GROUP 2015 RM
Cost		
At beginning of the financial year/period	16,623,421	11,844,063
Additions	1,058,908	4,779,358
Reclassified to property, plant and equipment (Note 4)	(76,023)	-
At the end of the financial year/period	17,606,306	16,623,421

Notes To The Financial Statements
31 March 2016 (Cont'd)

6. QUARRY DEVELOPMENT EXPENDITURE (CONT'D)

	GROUP 2016 RM	GROUP 2015 RM
Accumulated amortisation		
At beginning of the financial year/period	4,441,008	3,683,909
Charge for the financial period/year	759,916	757,099
At the end of the financial year/period	5,200,924	4,441,008
Accumulated impairment		
At beginning of the financial year/period	1,511,441	620,464
Impairment loss	-	890,977
At the end of the financial year/period	1,511,441	1,511,441
Carrying amount	10,893,941	10,670,972

7. INVESTMENT IN SUBSIDIARY COMPANIES

	COMPANY 2016 RM	COMPANY 2015 RM
Unquoted shares, at cost		
In Malaysia	53,080,149	49,080,151
Outside Malaysia	2	2
Less: Impairment loss	(7,876,646)	(7,876,646)
	45,203,505	41,203,507

Details of the subsidiaries companies are as follows:

Name of company	Country of incorporation	Effective equity interest 2016 %	Effective equity interest 2015 %	Principal activities
Direct holding:				
K.S. Chin Minerals Sdn. Bhd. ("KSCM")	Malaysia	100	100	Provision of turnkey and specialised quarry services and rental of machinery
Minetech Construction Sdn. Bhd. ("MCSB")	Malaysia	100	100	Provision of specialised civil engineering services and rental of machinery
Minetech Quarries Sdn. Bhd. ("MQSB")	Malaysia	100	100	Sales and marketing of quarry products

Notes To The Financial Statements
31 March 2016 (Cont'd)

7. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

Name of company	Country of incorporation	Effective equity interest 2016 %	2015 %	Principal activities
Minetech Premix Sdn. Bhd. ("MPSB")	Malaysia	100	100	Manufacturing and trading of premix products
Minetech Industries Sdn. Bhd. ("MISB")	Malaysia	100	100	Trading of industrial machinery spare parts
Diman KS Chin Sdn. Bhd. ("DKSCSB")	Malaysia	100	100	Inactive
Minetech Realty Sdn. Bhd. ("MRSB")	Malaysia	100	100	Property investment
Minetech Quarries Singapore Pte. Ltd. ("MQS")*	Singapore	100	100	Inactive
Minetech Asphalt Man International Sdn. Bhd. ("MAMI")	Malaysia	85	85	Manufacturing and trading of bituminous products
Minetech Heavy Machineries Sdn. Bhd. ("MHMSB")	Malaysia	51	51	Trading of heavy machineries
MRB Land Sdn. Bhd. ("MRBL") (formerly known as Popular Trinity Sdn. Bhd.)	Malaysia	100	-	Dormant
Subsidiary company of KSCM:				
Popular Trinity Sdn. Bhd. ("PTSB")	Malaysia	-	100	Dormant
Subsidiary companies of MQSB:				
Genetic Frontier Sdn. Bhd. ("GFSB")	Malaysia	100	100	Sales and marketing of quarry products
Optimis Dinamik Sdn. Bhd. ("ODSB")	Malaysia	100	100	Inactive
Minetech M.B. (Huizhou) Building Materials Ltd. ("MMBM")*	People's Republic of China	-	70	Inactive

Notes To The Financial Statements
31 March 2016 (Cont'd)

7. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

Name of company	Country of incorporation	Effective equity interest 2016 %	2015 %	Principal activities
Subsidiary companies of MQSB:(continued)				
Minetech Pavement Technologies Sdn. Bhd. ("MPTSB")	Malaysia	100	100	Inactive
Subsidiary companies of MPSB:				
Minetech Quarries Sabah Sdn. Bhd. ("MQSSB")	Malaysia	100	100	Inactive
Subsidiary companies of MPTSB:				
Minetech PQ Sdn. Bhd. ("MPQSB")	Malaysia	51	51	Sales and marketing of quarry products

* *Subsidiary companies not audited by UHY Chartered Accountants*

(a) Acquisition of subsidiary companies during the financial year

On 14 September 2015, the Company acquired the entire two (2) ordinary shares of RM1.00 each in the share capital of Popular Trinity Sdn. Bhd. ("PTSB"), representing 100% of the issued and paid-up share capital of PTSB from K.S. Chin Minerals Sdn. Bhd. ("KSCM"), a wholly-owned subsidiary company of the Company for a total cash consideration of RM2.00 only ("Acquisition"). Upon the Acquisition, PTSB became a direct wholly-owned subsidiary company of the Company. PTSB has on 18 September 2015 changed its name to MRB Land Sdn. Bhd. ("MRBL").

On 5 November 2015, MRBL has increased its issued and paid-up share capital from 2 to 2,500,000 ordinary shares of RM1.00 each. The Company has subscribed for an additional of 2,499,998 ordinary share of RM1.00 each in MRBL by way of cash. MRBL remained 100% subsidiary company of the Company.

(b) Disposal of subsidiary companies

<u>2016</u>

On 10 March 2016, Minetech Quarries Sdn. Bhd. ("MQSB") has entered into a Share Sale Agreement with Huizhou Daya Bay M.B. Industrial Co. Ltd and Li Yong Nan to dispose its entire 70% equity interest in Minetech M.B. (Huizhou) Building Materials Ltd. ("MMBM") for a cash consideration of RMB7,000, equivalent to RM4,224, which had resulted a profit of RM91,081 to the Group. The disposal has completed on 30 March 2016.

Notes To The Financial Statements
31 March 2016 (Cont'd)

7. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(b) Disposal of subsidiary companies (continued)

The effect of the disposal of MMBM on the financial position of the Group as at the date of disposal was as follows:

	2016 RM
Other payables	(82,994)
Non-controlling interests	(52,181)
Foreign currency translation reserve	39,870
	(95,305)
Gain on disposal	91,081
Proceeds from disposal, representing net cash inflows from disposal	(4,224)

2015

On 27 November 2014, the Company entered into a Share Sale Agreement with Laluan Bina Sdn. Bhd. to disposed of its 51% equity interest in Minetech Gurun Premix Sdn. Bhd. for a cash consideration of RM1,488,221, which had resulted a gain of RM1,174,748 to the Group. The subsidiary company was previously reported as part of the premix products segment.

The effect of the disposal of Minetech Gurun Premix Sdn. Bhd. on the financial position of the Group as at the date of disposal was as follows:

	2015 RM
Property, plant and equipment	3,456,601
Inventories	461,384
Trade and other receivables	1,708,831
Cash and bank balances	2,724,797
Bank borrowings	(1,698,424)
Trade and other payables	(6,303,571)
Goodwill on consolidation	3,306
Net assets	352,924
Less: Non-controlling interests	(291,096)
	61,828
Gain on disposal	1,174,748
	1,236,576
The cash inflows arising from the disposal is as follows:	
Proceeds from disposal	1,488,221
Less: Cash and cash balances disposed	(2,724,797)
Net cash outflows from disposal	(1,236,576)

Notes To The Financial Statements
31 March 2016 (Cont'd)

7. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(c) Additional investment in subsidiary companies during the financial year

(i) On 1 April 2015, KSCM increased its authorised share capital from RM1,000,000 divided into 1,000,000 ordinary shares of RM1.00 each to RM5,000,000 divided into 5,000,000 ordinary shares of RM1.00 each by the creation of an additional 4,000,000 ordinary shares of RM1.00 each.

On the same day, KSCM allotted and issued 1,500,000 new ordinary shares of RM1.00 each at par to the Company for a total consideration of RM1,500,000 by way of contra of amount owing by KSCM to the Company.

(ii) On 1 April 2015, Minetech Construction Sdn. Bhd. ("MSCB"), the wholly-owned subsidiary company of the Company, increased its authorised share capital from RM1,000,000 divided into 1,000,000 ordinary shares of RM1.00 each to RM5,000,000 divided into 5,000,000 ordinary shares of RM1.00 each by the creation of an additional 4,000,000 ordinary shares of RM1.00 each.

MCSB also increased its issued and paid up share capital from RM1,000,000 to RM2,500,000 by way of bonus issue of 1,500,000 new ordinary shares of RM1.00 each via capitalisation from retained earnings on the basis of one (1) new ordinary share for every three (3) existing ordinary shares of RM1.00 each held.

(d) The interests that non-controlling interests have in the group's activities and cash flows

The Group's subsidiary companies which have non-controlling interests are not material individually or in aggregate to the financial position, financial performance and cash flows of the Group.

8. INVESTMENT IN ASSOCIATE COMPANIES

(a) Investment in associate companies

	GROUP	
	2016 RM	2015 RM
In Malaysia		
Unquoted shares, at cost	490,049	122,500
Share of post-acquisition reserve	(324,413)	(122,500)
	165,636	-

Notes To The Financial Statements
31 March 2016 (Cont'd)

8. INVESTMENT IN ASSOCIATE COMPANIES (CONT'D)

(b) Details of the associate companies and shareholdings therein are as follows:

Name of company	Country of incorporation	Effective equity interest 2016 %	2015 %	Principal activities
Indirect holding				
Associate companies of MCSB:				
Minetech Builders Sdn. Bhd. ("MBSB")	Malaysia	49	49	Property development
Associate companies of KSCM:				
Hebat Asset Sdn. Bhd. ("HASB")	Malaysia	49	-	Dormant

(i) On 8 July 2015, Minetech Builders Sdn. Bhd. ("MBSB") increased its paid-up share capital from 250,000 to 1,000,000 ordinary shares of RM1.00 each. MCSB has subscribed for additional 367,500 ordinary shares of RM1.00 each in MBSB by way of cash. MBSB remained 49% associate company of MCSB.

(ii) On 1 April 2015, KSCM acquired 1 ordinary shares of RM1.00 each in Hebat Assets Sdn. Bhd. ("HASB") Subsequently on 2 April 2015, KSCM subscribe additional 48 ordinary shares of RM1.00 each in HASB, which in total representing 49% issued and paid-up share capital of HASB. Consequently, HASB became an associate of KSCM.

(c) The Group's associate companies are not material individually to the financial position, financial performance and cash flows of the Group.

(d) The unrecognised share of losses of the associate companies are as follows:

	GROUP 2016 RM	2015 RM
At beginning of the financial year/period	45,496	-
Addition during the financial year/period	3,362	45,496
At the end of the financial year/period	48,858	45,496

Notes To The Financial Statements
31 March 2016 (Cont'd)

9. INVENTORIES

	GROUP 2016 RM	GROUP 2015 RM
At cost:		
Raw materials and packaging materials	931,431	2,901,903
Spare parts and consumables	2,378,898	2,502,269
Quarry and bituminous products	3,606,956	2,787,131
	6,917,285	8,191,303
At net realisable value:		
Quarry and bituminous products	1,025,682	-
	7,942,967	8,191,303
Recognised in profit or loss:		
Inventories recognised in cost of sales	38,251,489	85,872,684
Inventories written down	2,077,281	-
Inventories written off	560,429	-

10. TRADE RECEIVABLES

	GROUP 2016 RM	GROUP 2015 RM
Trade receivables	22,849,309	33,414,125
Less: Allowance for impairment losses	(2,307,383)	(5,638,915)
	20,541,926	27,775,210

The Group's normal trade credit terms range from 30 to 180 days (2015: 30 to 180 days). Other credit terms are assessed and approved on a case by case basis. Trade receivables are recognised at their original invoice amounts which represent their fair value on initial recognition.

Included in trade receivables of the Group are retention sums amounting to RM1,316,567 (2015: RM3,020,535).

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

	GROUP 2016 RM	GROUP 2015 RM
At beginning of the financial year/period	5,638,915	5,741,717
Impairment losses recognised	1,290,173	1,513,165
Reversal of impairment losses no longer required	(1,793,028)	(636,287)
Written off	(2,828,677)	(979,680)
At the end of financial year/period	2,307,383	5,638,915

Notes To The Financial Statements 31 March 2016 (Cont'd)

10. TRADE RECEIVABLES (CONT'D)

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

	GROUP	
	2016 RM	2015 RM
Neither past due nor impaired	5,966,785	12,566,661
Past due not impaired:		
Less than 30 days	3,875,028	6,334,711
31 to 60 days	3,712,391	2,146,069
61 to 90 days	902,974	1,199,519
More than 90 days	6,084,748	5,528,250
	14,575,141	15,208,549
	20,541,926	27,775,210
Impaired	2,307,383	5,638,915
	22,849,309	33,414,125

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

As at 31 March 2016, trade receivables of RM14,575,141 (2015: RM15,208,549) 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 Group that are individually assessed to be impaired amounting to RM2,307,383 (2015: RM5,638,915), 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.

11. OTHER RECEIVABLES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Other receivables	5,545,901	2,773,233	39,631	9,282
Less: Accumulated impairment losses	(181,606)	(181,606)	-	-
	5,364,295	2,591,627	39,631	9,282
Deposits	10,534,375	6,776,704	2,396,222	148,301
Prepayments	2,728,024	3,624,031	49,811	60,913
	18,626,694	12,992,362	2,485,664	218,496

Notes To The Financial Statements
31 March 2016 (Cont'd)

11. OTHER RECEIVABLES (CONT'D)

Included in the deposits of the Group mainly comprise of the followings:

(i) deposits of RM5,000,000 (2015: RM6,000,000) being the earnest deposits paid for the intention to undertake two quarry operations. This amount have been fully refund subsequent to the financial year end;

(ii) deposits of RM2,294,000 (2015: RM Nil) being deposits paid for the acquisition of 100% equity interest in Medium Visa Sdn. Bhd., Harapan Iringan Sdn. Bhd. and a parcel of leasehold land as disclosed in Note 35(a); and

(iii) deposits of RM2,400,000 (2015: RM Nil) being deposits paid for the acquisition of shop office as disclosed in Note 35(b).

Included in deposit of the Company is deposits of RM2,294,000 (2015: RM Nil) paid for the acquisition of 100% equity interest in Medium Visa Sdn. Bhd., Harapan Iringan Sdn. Bhd. and a parcel of leasehold land as disclosed in Note 35(a).

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

	GROUP	
	2016 RM	2015 RM
At beginning of the financial year/period	181,606	205,510
Impairment losses recognised	-	28,000
Written off	-	(51,904)
At the end of financial year/period	181,606	181,606

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

12. AMOUNT DUE FROM/(TO) CUSTOMERS FOR CONTRACT WORKS

	GROUP	
	2016 RM	2015 RM
Aggregate costs incurred to date	158,247,386	39,686,524
Add: Attributable profits	34,444,294	9,462,371
Less: Allowance for foreseeable losses	-	(327,134)
	192,691,680	48,821,761
Less: Progress billings	(189,802,646)	(49,708,662)
	2,889,034	(886,901)
Represented by:		
Amount due from customers for contract works	3,117,758	1,228,533
Amount due to customers for contract works	(228,724)	(2,115,434)
	2,889,034	(886,901)

Included in progress billings is retention sum of RM1,269,660. (2015: RM3,020,535).

Notes To The Financial Statements
31 March 2016 (Cont'd)

13. AMOUNT DUE BY/(TO) SUBSIDIARY COMPANIES

These represent balances that are non-trade in nature, unsecured, interest free advances and repayable in demand.

14. OTHER INVESTMENT

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Current				
Financial assets at fair value through profit or loss:				
Unit trust fund	14,272,772	32,159,318	14,272,772	32,159,318

15. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group amounting to RM2,804,189 (2015: RM3,400,217) are pledged to licensed banks as securities for credit facilities granted to a subsidiary company as disclosed in Note 19.

The weighted average interest rate of fixed deposits at the end of the reporting period is 3.02% (2015: 3.02%) per annum and the maturities of deposits ranging from 30 to 365 days (2015: 30 to 365 days).

16. SHARE CAPITAL

	Group and Company			
	Number of Shares		Share Capital	
	2016 Units	2015 Units	2016 RM	2015 RM
Ordinary share @ RM0.15 each				
Authorised				
At 1 April/1 January	2,000,000,000	500,000,000	300,000,000	100,000,000
Created during the financial year/period	-	1,500,000,000	-	200,000,000
At 31 March	2,000,000,000	2,000,000,000	300,000,000	300,000,000
Issued and fully paid				
At 1 April/1 January	665,094,000	332,689,500	99,764,100	66,537,900
Par value reduction	-	-	-	(16,634,475)
Shares issued during financial year/period	-	332,404,500	-	49,860,675
At 31 March	665,094,000	665,094,000	99,764,100	99,764,100

Notes To The Financial Statements
31 March 2016 (Cont'd)

16. SHARE CAPITAL (CONT'D)

The holder of ordinary shares is 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. In respect of the Company's treasury shares that are held by the Group, all rights are suspended until those shares are reissued.

17. RESERVES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Non distributable:				
Foreign currency translation reserve	183,564	401,103	-	-
Share premium	790,627	790,627	790,627	790,627
Warrant reserve	21,971,937	21,971,937	21,971,937	21,971,937
Other reserve	(21,971,937)	(21,971,937)	(21,971,937)	(21,971,937)
Accumulated losses	(12,488,122)	(2,193,648)	(4,356,577)	(2,635,977)
	(11,513,931)	(1,001,918)	(3,565,950)	(1,845,350)

(a) Foreign currency translation reserve

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

(b) Share premium

	GROUP/COMPANY	
	2016 RM	2015 RM
At 1 April/1 January	790,627	1,920,850
Less: Share issue expenses	-	(1,130,223)
At 31 March	790,627	790,627

Share premium comprises the premium paid on subscription of shares in the Company over and above the par value of the shares.

(c) Warrant reserve

Warrants reserve represents reserve allocated to free detachable warrants issued with right issue.

On 28 November 2014, the Company has issued 332,404,500 free detachable warrants to all the entitled shareholders of the Company on the basis of one (1) warrant for every one existing ordinary shares held in the Company.

Notes To The Financial Statements
31 March 2016 (Cont'd)

17. RESERVES (CONT'D)

(c) Warrant reserve (continued)

The salient term of the warrants are as follows:

(i) Each warrant entitles the holder to subscribe for one new ordinary share of RM0.15 each in the Company at the exercise price of RM0.15 per ordinary share;

(ii) The warrants may be exercised at any time up to 27 November 2019. Any warrants which have not been exercised at date of maturity will lapse and cease to be valid for any purpose.; and

(iii) The shares arising from the exercise of warrants shall rank pari passu in all respects with the existing ordinary shares of the Company, save and except that the new shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the allotment date of the new shares.

As at 31 March 2016, the total number of Warrants that remain unexercised was 332,404,500 (2015: 332,404,500).

(d) Other reserve

Other reserve represents the fair value allocated to the detachable warrants issued in conjunction with rights issue as disclose in Note 17(c) above.

18. TREASURY SHARES

	Group and Company			
	Number of Shares		Amount	
	2016 Units	2015 Units	2016 RM	2015 RM
At 1 April/1 January/1 March	285,000	285,000	47,990	47,990

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

The Company do not repurchased any of its issued shares from the open market during the financial year.

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.

Notes To The Financial Statements
31 March 2016 (Cont'd)

19. LOANS AND BORROWINGS

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Secured				
Term loans (Note a)	-	48,041	-	-
Bank overdrafts (Note a)	3,740,863	904,300	-	-
Finance lease payables (Note b)	14,406,333	12,730,963	1,018,298	1,423,098
	18,147,196	13,683,304	1,018,298	1,423,098
Unsecured				
Bankers acceptance (Note a)	2,604,000	3,494,780	-	-
	20,751,196	17,178,084	1,018,298	1,423,098
Non-current				
Finance lease payables	9,815,548	9,448,701	628,018	1,032,818
Current				
Term loans	-	48,041	-	-
Bank overdrafts	3,740,863	904,300	-	-
Bankers acceptance	2,604,000	3,494,780	-	-
Finance lease payables	4,590,785	3,282,262	390,280	390,280
	10,935,648	7,729,383	390,280	390,280
	20,751,196	17,178,084	1,018,298	1,423,098

(a) Bank borrowings

The term loans, bankers' acceptance and bank overdrafts are secured by the following:

(i) first legal charge over freehold land and building of a subsidiary company as disclosed in Note 4;
(ii) fixed and floating charge over certain property, plant and equipment of a subsidiary company;
(iii) pledge of fixed deposits of the Group as disclosed in Note 15;
(iv) debenture over all the fixed and floating assets of a subsidiary company;
(v) guarantee provided by the Government of Malaysia; and
(vi) corporate guarantee provided by the Company.

Maturity of bank borrowings is as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Within one year	6,344,863	4,447,121	-	-

Notes To The Financial Statements
31 March 2016 (Cont'd)

19. LOANS AND BORROWINGS (CONT'D)

(a) Bank borrowings (continued)

The ranges of interest rates at the reporting date are as follows:

	GROUP		COMPANY	
	2016 %	2015 %	2016 %	2015 %
Term loans	-	7.65	-	-
Bank overdrafts	8.15	8.10	-	-
Bankers acceptance	5.58 - 5.65	5.20	-	-

(b) Finance lease payables

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Minimum lease payments				
Within one year	5,348,610	3,943,162	479,385	479,385
Later than one year and not later than two years	4,525,497	4,170,983	355,776	479,385
Later than two year and not later than five years	6,182,466	6,222,287	288,016	643,793
Later than five years	5,849	-	-	-
	16,062,422	14,336,432	1,123,177	1,602,563
Less: Future finance charges	(1,656,089)	(1,605,469)	(104,879)	(179,465)
Present value of minimum lease payments	14,406,333	12,730,963	1,018,298	1,423,098
Present value of minimum lease payments				
Within one year	4,590,785	3,282,262	390,280	390,280
Later than one year and not later than two years	4,045,716	3,576,317	342,810	424,028
Later than two year and not later than five years	5,764,049	5,872,384	285,208	608,790
Later than five years	5,783	-	-	-
	14,406,333	12,730,963	1,018,298	1,423,098

The effective interest rate of finance lease payables range from 3.85% to 9.23% (2015: 3.85% to 9.23%) per annum.

Notes To The Financial Statements
31 March 2016 (Cont'd)

20. DEFERRED TAX LIABILITIES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
At 1 January	2,017,200	2,740,554	-	-
Recognised in profit or loss (Note 26)	(1,072,300)	(723,354)	-	-
At 31 December	944,900	2,017,200	-	-

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

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Deferred tax liabilities	7,932,240	7,873,140	79,051	180,400
Deferred tax assets	(6,987,340)	(5,855,940)	(79,051)	(180,400)
	944,900	2,017,200	-	-

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

Deferred tax liabilities of the Group

	Accelerated capital allowances RM	Quarry development expenditure RM	Total RM
At 1 April 2015	5,224,440	2,648,700	7,873,140
Recognised in profit or loss	379,600	(320,500)	59,100
At 31 March 2016	5,604,040	2,328,200	7,932,240
At 1 January 2014	6,052,775	1,301,000	7,353,775
Recognised in profit or loss	(828,335)	1,347,700	519,365
At 31 March 2015	5,224,440	2,648,700	7,873,140

Notes To The Financial Statements
31 March 2016 (Cont'd)

20. DEFERRED TAX LIABILITIES (CONT'D)

Deferred tax assets of the Group

	Unutilised capital allowances RM	Unutilised tax losses RM	Unutilised reinvestment allowances RM	Others RM	Total RM
At 1 April 2015	3,338,240	2,272,600	245,100	-	5,855,940
Recognised in profit or loss	785,010	509,690	(163,300)	-	1,131,400
At 31 March 2016	4,123,250	2,782,290	81,800	-	6,987,340
At 1 January 2014	4,367,779	135,514	-	109,928	4,613,221
Recognised in profit or loss	(1,029,539)	2,137,086	245,100	(109,928)	1,242,719
At 31 March 2015	3,338,240	2,272,600	245,100	-	5,855,940

Deferred tax liability of the Company

	Accelerated capital allowances RM
At 1 April 2015	180,400
Recognised in profit or loss	(101,349)
At 31 March 2016	79,051
At 1 January 2014	5,600
Recognised in profit or loss	174,800
At 31 March 2015	180,400

Deferred tax asset of the Company

	Unutilised capital allowances RM
At 1 April 2015	180,400
Recognised in profit or loss	(101,349)
At 31 March 2016	79,051
At 1 January 2014	5,600
Recognised in profit or loss	174,800
At 31 March 2015	180,400

Notes To The Financial Statements
31 March 2016 (Cont'd)

20. DEFERRED TAX LIABILITIES (CONT'D)

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

	GROUP 2016 RM	GROUP 2015 RM	COMPANY 2016 RM	COMPANY 2015 RM
Unabsorbed capital allowances	119,285	1,416,392	113,035	25,584
Unutilised tax losses	8,307,661	6,615,682	495,775	234,244
	8,426,946	8,032,074	608,810	259,828

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

21. TRADE PAYABLES

The Group's normal trade credit terms range from 30 to 150 days (2015: 30 to 150 days). Other credit terms are assessed and approved on a case to case basis.

22. OTHER PAYABLES

	GROUP 2016 RM	GROUP 2015 RM	COMPANY 2016 RM	COMPANY 2015 RM
Other payables	2,086,356	2,964,595	468,733	44,694
Deposits	26,384	26,384	-	-
Accruals	4,788,443	5,001,964	192,459	482,225
	6,901,183	7,992,943	661,192	526,919

Included in other payables of the Group and of the Company is an amount of RM30,000 (2015: RM Nil) owing to certain Directors of a subsidiary company.

23. REVENUE

	GROUP 1.4.2015 to 31.3.2016 RM	GROUP 1.1.2014 to 31.3.2015 RM	COMPANY 1.4.2015 to 31.3.2016 RM	COMPANY 1.1.2014 to 31.3.2015 RM
Turnkey quarry services	26,699,838	44,007,747	-	-
Sales of goods	48,039,039	101,556,594	-	-
Contract revenue	29,348,418	58,897,696	-	-
Rental income	1,014,064	1,001,987	-	-
Rendering of services	-	1,187,734	-	-
Interest income	5,436	218,234	5,436	360,517
Management fees	-	-	5,640,000	6,460,000
	105,106,795	206,869,992	5,645,436	6,820,517

Notes To The Financial Statements
31 March 2016 (Cont'd)

24. FINANCE COSTS

	GROUP		COMPANY	
	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM
Bank charges	192,094	189,747	2,240	2,098
Interest expenses on:				
Bank overdrafts	9,285	73,931	-	-
Banker acceptance/ Trust receipts	191,964	349,130	-	-
Finance lease	858,117	966,049	74,586	48,217
Term loans	839	301,744	-	140,782
Others	2,000	24,444	-	-
	1,062,205	1,715,298	74,586	188,999
	1,254,299	1,905,045	76,826	191,097

25. (LOSS)/PROFIT BEFORE TAXATION

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

	GROUP		COMPANY	
	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM
Allowance for foreseeable losses for contract works	-	327,134	-	-
Amortisation of quarry development expenditure	759,916	757,099	-	-
Auditors' remuneration				
- statutory audit	185,107	182,692	38,000	26,250
- non-statutory	70,000	25,000	70,000	25,000
- underprovision in prior years	17,500	13,610	11,750	4,290
Bad debts written off	469	193,113	-	-
Depreciation of :				
- investment properties	3,363	4,204	-	-
- property, plant and equipment	8,829,547	12,934,058	347,350	159,375
Foreign exchange (gain)/loss:				
- realised	(204,894)	144,822	-	-
- unrealised	(137,998)	(121,947)	(161,088)	-
Impairment loss on :				
- other receivables	-	28,000	-	-
- trade receivables	1,290,173	1,513,165	-	-
- quarry development expenditure	-	890,977	-	-
Inventories written down	2,077,281	-	-	-
Inventories written off	560,429	-	-	-

Notes To The Financial Statements
31 March 2016 (Cont'd)

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

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

	GROUP		COMPANY	
	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM
Loss/(Gain) on disposal of property, plant and equipment	1,895,192	312,159	-	(30,131)
Non-executive Directors' remunerations				
- fees	101,435	88,974	101,435	88,974
Property, plant and equipment written off	33,100	304,857	-	9,979
Rental expenses:				
- access road	30,250	36,000	-	-
- land	726,000	825,000	-	-
- motor vehicles, plant and equipment	831,652	2,883,303	-	1,739
- premises	652,196	115,228	-	-
- site office/warehouse	669,100	315,100	-	-
Bad debts recovered	-	(1,224,493)	-	-
Fair value gain on financial asset at fair value through profit or loss	(763,454)	(159,318)	(763,454)	(159,318)
Gain on disposal of subsidiary companies	(91,081)	(1,915,225)	-	(980,000)
Interest income	(159,156)	(202,139)	-	-
Reversal of impairment loss on receivables	(1,793,028)	(636,287)	-	-

26. TAXATION

	GROUP		COMPANY	
	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM
Tax expenses recognised in profit or loss:				
Current tax provision	634,300	1,308,026	-	54,934
(Over)/Under provision in prior year	(156,467)	201,153	47,044	37,879
	477,833	1,509,179	47,044	92,813
Deferred tax:				
Relating to origination and reversal of temporary differences	(2,096,851)	(1,265,666)	(11,051)	(4,849)
Relating to changes in tax rate	(126,760)	-	(460)	-
Under provision in prior year	1,151,311	542,312	11,511	4,849
	(1,072,300)	(723,354)	-	-
	(594,467)	785,825	47,044	92,813

Malaysian income tax is calculated at the statutory tax rate of 24% (2015: 25%) of the estimated assessable profits for the financial year/period.

Notes To The Financial Statements 31 March 2016 (Cont'd)

26. TAXATION (CONT'D)

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

	GROUP		COMPANY	
	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM
(Loss)/Profit before taxation	(11,792,540)	1,338,514	(1,673,556)	248,011
Taxation at statutory tax rate of 24% (2015: 25%)	(2,830,210)	334,629	(401,653)	62,003
Expenses not deductible for tax purposes	808,842	1,978,135	521,839	207,912
Effect of changes in tax rate	(126,760)	-	(460)	-
Income not subject to tax	(258,321)	(1,659,147)	(218,482)	(284,830)
Deferred tax assets not recognised	940,355	458,658	87,245	65,000
Utilisation of previously unrecognised deferred tax assets	(126,184)	(1,124,474)	-	-
Different tax rate in foreign jurisdication	2,967	54,559	-	-
(Over)/Under provision of income tax expense in prior year	(156,467)	201,153	47,044	37,879
Under provision of deferred tax in prior year	1,151,311	542,312	11,511	4,849
Tax expenses for the financial year/period	(594,467)	785,825	47,044	92,813

The Group and the Company have the following estimated unutilised tax losses and unutilised capital allowances available for set-off against future taxable profit. The said amounts are subject to approval by the tax authorities.

	GROUP		COMPANY	
	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM
Unutilised capital allowances	17,299,485	14,769,352	442,414	747,000
Unutilised tax losses	19,912,013	15,706,082	495,775	234,244
Unutilised reinvestment allowances	340,928	980,295	-	-
	37,552,426	31,455,729	938,189	981,244

Notes To The Financial Statements
31 March 2016 (Cont'd)

27. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

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

	GROUP	
	2016 RM	2015 RM
(Loss)/Profit attributable to owners of the parent	(10,294,474)	642,581
Weighted average number of ordinary shares:		
Issued ordinary shares at 1 January	665,094,000	332,689,500
Effeect of ordinary shares issued during the financial year/period	-	90,589,358
Effect of treasury shares held	(285,000)	(285,000)
Weighted number of ordinary shares at 31 March	664,809,000	422,993,858
Basic (loss)/earnings per ordinary share (sen)	(1.5485)	0.1519

(b) Fully diluted earnings/(loss) per share

The Group and the Company have no dilution in their earnings per ordinary share as there are no dilutive potential ordinary shares. There have been no other transactions involving ordinary shares or potential ordinary shares since the end of the financial year and before the authorisation of these financial statements.

28. STAFF COSTS

	GROUP		COMPANY	
	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM
Fees	38,103	-	-	-
Salaries, wages and other emoluments	14,888,652	12,680,844	4,061,826	3,799,095
Defined contribution plan	1,633,000	1,621,560	564,628	608,061
Social security contributions	116,255	144,755	17,253	17,379
Other benefits	1,252,021	3,409,442	828,678	224,899
	17,928,031	17,856,601	5,472,385	4,649,434

Notes To The Financial Statements
31 March 2016 (Cont'd)

28. STAFF COSTS (CONT'D)

Included in staff costs is aggregate amount of remuneration received and receivable by the Executive Directors of the Company and of the subsidiary companies during the financial year as below:

	GROUP		COMPANY	
	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM
Fees	38,103	-	-	-
Salaries, wages and other emoluments	2,148,354	1,858,577	2,148,354	1,858,577
Defined contribution plan	326,807	361,248	326,807	361,248
Estimated money value of benefits-in-kind	66,900	18,975	66,900	18,975
	2,580,164	2,328,800	2,542,061	2,238,800

29. CONTINGENT LIABILITIES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Secured				
Bank guarantee issued in favour of third parties by certain subsidiary companies	2,952,000	2,843,659	-	-
Unsecured				
Corporate guarantee given to financial institutions for credit facilities granted to subsidiaries	-	-	30,719,000	8,329,322
Corporate guarantee given to suppliers of subsidiaries for credit terms granted to subsidiary companies	-	-	22,200,000	13,327,718
	2,952,000	2,843,659	52,919,000	21,657,040

Notes To The Financial Statements
31 March 2016 (Cont'd)

30. RELATED PARTIES

(a) Identifying related parties

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

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

(b) Significant related party transactions

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

	GROUP		COMPANY	
	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM
Transactions with subsidiary companies				
Interest income	-	-	-	140,782
Management fees received	-	-	5,640,000	6,460,000
Rental expenses	-	-	110,972	87,000
Transactions with Directors				
Legal fees	86,982	-	86,982	-
Rental expenses	999,000	820,000	-	-

(c) Compensation of key management personnel

Remuneration of Directors and other members of key management are as follows:

	GROUP		COMPANY	
	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM	1.4.2015 to 31.3.2016 RM	1.1.2014 to 31.3.2015 RM
- Salary and other emoluments	3,800,473	2,668,769	2,148,354	1,858,577
- Fees	101,435	88,974	101,435	88,974
- EPF	516,255	450,351	326,807	361,248
- Benefits in kind	119,283	54,058	66,900	18,975
	4,537,446	3,262,152	2,643,496	2,327,774

Notes To The Financial Statements
31 March 2016 (Cont'd)

31. OPERATING SEGMENTS

The Group comprises the following main business segments which are based on the Group's management and internal reporting structure:

Quarry products	:	Provision of turnkey and specialised quarry services and sales and marketing of quarry products
Civil engineering	:	Specialised civil engineering works
Premix products	:	Manufacturing and trading of premix products
Bituminous products	:	Manufacturing and trading bituminous products
Others	:	Investment holding, provision of managerial services, rental of machinery, trading of industrial machinery spare parts

Performance is measured based on the segment revenue and profit before tax, interest, depreciation and amortisation, as included in the internal management reports that are reviewed by the Group Managing Director (the chief operating decision maker). Segment profit is used to measure performance as management believes that such information the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets

The total of segment asset is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the Group Executive Director. Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

The total of segment liability is measured based on all liabilities of a segment, as include in the internal management reports that are reviewed by the Group Executive Director.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment and for quarry development expenditure.

Allocation basis and inter-segment pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial years.

Notes To The Financial Statements
31 March 2016 (Cont'd)

31. OPERATING SEGMENTS (CONT'D)

	Quarry products RM	Civil engineering RM	Premix products RM	Bituminous products RM	Others RM	Elimination RM	Consolidation RM
Group							
2016							
Revenue							
External customers	37,466,197	30,177,779	24,465,385	12,031,927	965,507	-	105,106,795
Inter-segment	4,985,514	-	-	509,167	9,709,000	(15,203,681)	-
Total revenue	42,451,711	30,177,779	24,465,385	12,541,094	10,674,507	(15,203,681)	105,106,795
Results							
Segment results	(7,578,149)	1,673,274	721,358	(2,519,971)	(2,949,019)	159,983	(10,492,524)
Interest income							156,196
Finance costs							(1,254,299)
Share of loss on associate companies							(201,913)
Loss before taxation							(11,792,540)
Taxation							594,467
Net loss for the financial year							(11,198,073)
Assets							
Capital expenditure	1,472,288	1,226,107	6,279,120	210,478	181,333	(233,893)	9,135,433
Segment assets	71,807,568	23,114,130	15,806,665	13,776,885	113,540,408	(99,762,961)	138,282,695
Liabilities							
Segment liabilities	64,735,755	11,903,420	13,203,131	9,148,648	22,526,783	(71,736,916)	49,780,821

Notes To The Financial Statements
31 March 2016 (Cont'd)

31. OPERATING SEGMENTS (CONT'D)

	Quarry products RM	Civil engineering RM	Premix products RM	Bituminous products RM	Others RM	Elimination RM	Consolidation RM
Group							
2015							
Revenue							
External customers	55,918,157	60,322,241	64,538,650	25,750,474	340,470	-	206,869,992
Inter-segment	11,509,907	9,572,777	-	1,094,619	9,279,335	(31,456,638)	-
Total revenue	67,428,064	69,895,018	64,538,650	26,845,093	9,619,805	(31,456,638)	206,869,992
Results							
Segment results	(5,178,987)	8,571,733	916,778	624,863	(1,382,999)	(387,228)	3,164,160
Interest income							202,139
Finance costs							(1,905,045)
Share of loss on associate							(122,500)
Profit before taxation							1,338,754
Taxation							(785,825)
Net loss for the financial period							552,929
Assets							
Capital expenditure	18,482,244	2,253,140	432,647	932,526	2,761,655	(600,000)	24,262,212
Segment assets	67,924,168	30,656,749	19,532,164	14,957,959	106,978,016	(73,992,675)	166,056,381
Liabilities							
Segment liabilities	54,608,123	20,499,470	17,348,339	8,109,833	16,027,744	(50,402,433)	66,191,076

Notes To The Financial Statements 31 March 2016 (Cont'd)

31. OPERATING SEGMENTS (CONT'D)

	Quarry products RM	Civil engineering RM	Premix products RM	Bituminous products RM	Others RM	Elimination RM	Consolidation RM
Group							
2016							
Other non-cash items							
Amortisation of quarry development expenditure	759,916	-	-	-	-	-	759,916
Bad debts written off	-	-	469	-	-	-	469
Depreciation of investment properties	-	3,363	-	-	-	-	3,363
Depreciation of property, plant and equipment	6,043,147	1,131,245	600,853	683,335	370,967	-	8,829,547
Loss/(Gain) on disposal of property, plant and equipment	1,955,520	(84,661)	24,333	-	-	-	1,895,192
Impairment loss on trade receivables	73,566	1,216,607	-	-	-	-	1,290,173
Property, plant and equipment written off	33,100	-	-	-	-	-	33,100
Fair value gain on financial asset at fair value through profit or loss	-	-	-	-	(763,454)	-	(763,454)
Gain on disposal of a subsidiary company	(4,224)	-	-	-	-	(86,857)	(91,081)
Reversal of allowance for doubtful debts	-	(1,067,033)	(657,749)	-	(68,246)	-	(1,793,028)
Unrealised foreign exchange (gain)/loss	(7,811)	-	-	30,901	(161,088)	-	(137,998)

Notes To The Financial Statements
31 March 2016 (Cont'd)

31. OPERATING SEGMENTS (CONT'D)

	Quarry products RM	Civil engineering RM	Premix products RM	Bituminous products RM	Others RM	Elimination RM	Consolidation RM
Group							
2015							
Other non-cash items							
Allowance for foreseeable losses	-	327,134	-	-	-	-	327,134
Amortisation of quarry development expenditure	757,099	-	-	-	-	-	757,099
Bad debts written off	-	-	5,036	-	188,077	-	193,113
Depreciation of investment properties	-	4,204	-	-	-	-	4,204
Depreciation of property, plant and equipment	9,158,256	1,522,525	1,368,184	689,464	195,629	-	12,934,058
(Gain)/loss on disposal of property, plant and equipment	171,218	(22,100)	7,224	-	(30,132)	185,949	312,159
Impairment loss on:							
- trade receivables	13,429	245,941	1,253,795	-	-	-	1,513,165
- other receivables	28,000	-	-	-	-	-	28,000
- quarry development expenditure	890,977	-	-	-	-	-	890,977
Property, plant and equipment written off	17,727	83,158	58,170	97,960	47,842	-	304,857
Fair value gain on financial asset at fair value through profit or loss	-	-	-	-	(159,318)	-	(159,318)
Gain on disposal of subsidiary companies	-	-	-	-	(1,958,221)	42,996	(1,915,225)
Reversal of allowance for doubtful debts	-	(460,001)	(176,286)	-	-	-	(636,287)
Unrealised foreign exchange gain	-	-	-	(121,947)	-	-	(121,947)

Notes To The Financial Statements
31 March 2016 (Cont'd)

32. 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 the financial instruments are measured and how income and expenses including fair values gain or loss 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:

	Fair value through profit or loss - held for trading RM	Loans and receivables RM	Financial liabilities measured at amortised cost RM	Total RM
Group				
2016				
Financial assets				
Trade receivables	-	20,541,926	-	20,541,926
Other receivables	-	15,898,670	-	15,898,670
Other investments	14,272,772	-	-	14,272,772
Fixed deposits with licensed banks	-	2,814,176	-	2,814,176
Cash and bank balances	-	13,039,115	-	13,039,115
Total financial assets	14,272,772	52,293,887	-	66,566,659
Financial liabilities				
Trade payables	-	-	20,954,818	20,954,818
Other payables	-	-	6,901,183	6,901,183
Bank borrowings	-	-	20,751,196	20,751,196
Total financial liabilities	-	-	48,607,197	48,607,197
2015				
Financial assets				
Trade receivables	-	27,775,210	-	27,775,210
Other receivables	-	9,368,331	-	9,368,331
Other investments	32,159,318	-	-	32,159,318
Fixed deposits with licensed banks	-	3,400,217	-	3,400,217
Cash and bank balances	-	19,899,055	-	19,899,055
Total financial assets	32,159,318	60,442,813	-	92,602,131
Financial liabilities				
Trade payables	-	-	36,300,746	36,300,746
Other payables	-	-	7,992,943	7,992,943
Bank borrowings	-	-	17,178,084	17,178,084
Total financial liabilities	-	-	61,471,773	61,471,773

Notes To The Financial Statements
31 March 2016 (Cont'd)

32. FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (continued)

	Fair value through profit or loss - held for trading RM	Loans and receivables RM	Financial liabilities measured at amortised cost RM	Total RM
Company				
2016				
Financial assets				
Other receivables	-	2,435,853	-	2,435,853
Amount due by subsidiary companies	-	36,083,939	-	36,083,939
Other investments	14,272,772	-	-	14,272,772
Cash and bank balances	-	3,181,135	-	3,181,135
Total financial assets	14,272,772	41,700,927	-	55,973,699
Financial liabilities				
Other payables	-	-	661,192	661,192
Amount due to subsidiary companies	-	-	4,655,529	4,655,529
Bank borrowings	-	-	1,018,298	1,018,298
Total financial liabilities	-	-	6,335,019	6,335,019
2015				
Financial assets				
Other receivables	-	157,583	-	157,583
Amount due by subsidiary companies	-	24,431,709	-	24,431,709
Other investments	32,159,318	-	-	32,159,318
Cash and bank balances	-	1,252,948	-	1,252,948
Total financial assets	32,159,318	25,842,240	-	58,001,558
Financial liabilities				
Other payables	-	-	526,919	526,919
Amount due to subsidiary companies	-	-	951,109	951,109
Bank borrowings	-	-	1,423,098	1,423,098
Total financial liabilities	-	-	2,901,126	2,901,126

Notes To The Financial Statements
31 March 2016 (Cont'd)

32. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies

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

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

(i) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and deposits with banks. The Company's exposure to credit risk arises principally from loans and advances to subsidiary companies and financial guarantees given to banks for credit facilities granted to subsidiary companies.

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

The Company provides unsecured loans and advances to subsidiary companies. It also provides unsecured financial guarantees to banks for banking facilities granted to certain subsidiary companies. The Company monitors on an ongoing basis the results of the subsidiary companies and repayments made by the subsidiary companies.

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represent the Group's and the Company's maximum exposure to credit risk except for corporate guarantees provided to banks and suppliers for banking facilities and credit terms granted to certain subsidiary companies. The Company's maximum exposure in this respect is RM52,919,000 (2015: RM21,657,040). There was no indication that any subsidiary company would default on repayment as at the end of the reporting period.

The Group has no significant concentration of credit risk as its exposure spread over a large number of customers. The Company has no significant concentration of credits risks except for loans to its subsidiary companies where risks of default have been assessed to be low.

(ii) Liquidity risk

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

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

The table in the next page 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.

Notes To The Financial Statements
31 March 2016 (Cont'd)

32. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (continued)

(ii) Liquidity risk (continued)

	On demand or within 1 year RM	1 - 2 years RM	2 - 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
Group						
2016						
Financial liabilities						
Trade payables	20,954,818	-	-	-	20,954,818	20,954,818
Other payables	6,901,183	-	-	-	6,901,183	6,901,183
Finance lease payables	5,348,610	4,525,497	6,182,466	5,849	16,062,422	14,406,333
Bank borrowings	6,344,863	-	-	-	6,344,863	6,344,863
	39,549,474	4,525,497	6,182,466	5,849	50,263,286	48,607,197
2015						
Financial liabilities						
Trade payables	36,300,746	-	-	-	36,300,746	36,300,746
Other payables	7,992,943	-	-	-	7,992,943	7,992,943
Finance lease payables	3,943,162	4,170,983	6,222,287	-	14,336,432	12,730,963
Bank borrowings	4,447,121	-	-	-	4,447,121	4,447,121
	52,683,972	4,170,983	6,222,287	-	63,077,242	61,471,773

Notes To The Financial Statements
31 March 2016 (Cont'd)

32. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (continued)

(ii) Liquidity risk (continued)

	On demand or within 1 year RM	1 - 2 years RM	2 - 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
Company						
2016						
Financial liabilities						
Other payables	661,192	-	-	-	661,192	661,192
Amount due to subsidiary companies	4,655,529	-	-	-	4,655,529	4,655,529
Bank borrowings	479,385	355,776	288,016	-	1,123,177	1,018,298
	5,796,106	355,776	288,016	-	6,439,898	6,335,019
2015						
Financial liabilities						
Other payables	526,919	-	-	-	526,919	526,919
Amount due to subsidiary companies	951,109	-	-	-	951,109	951,109
Bank borrowings	479,385	479,385	643,793	-	1,602,563	1,423,098
	1,957,413	479,385	643,793	-	3,080,591	2,901,126

Notes To The Financial Statements
31 March 2016 (Cont'd)

32. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (continued)

(iii) Interest rate risk

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

The Group manages the interest rate risk of its deposits with licensed financial institutions 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:

	2016 RM	2015 RM
Group		
Fixed rate instruments		
Fixed deposits with licensed banks	2,814,176	3,400,217
Finance lease payables	14,406,333	12,730,963
Floating rate instruments		
Bank overdraft	3,740,863	904,300
Bankers acceptance	2,604,000	3,494,780
Term loans	-	48,041
Company		
Fixed rate instruments		
Finance lease payables	1,018,298	1,423,098

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

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 period would not affect profit or loss.

Cash flow sensitivity analysis for floating rate instruments

A change in 1% interest rate at the end of the reporting period would have increased/(decreased) the Group and the Company's (loss)/profit before taxation by RM63,400 and RM Nil (2015: RM44,500 and RM Nil) respectively, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

Notes To The Financial Statements
31 March 2016 (Cont'd)

32. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (continued)

(iv) Foreign currency exchange risk

The Company is exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of Group entities. The currency giving rise to this risk is primarily Singapore Dollar (SGD).

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

	Denominated in SGD RM
Company	
2016	
Amount due by a subsidiary company	1,524,084
2015	
Amount due by a subsidiary company	1,301,396

Foreign currency risk sensitivity

Foreign currency risk arises from Group entities which have a RM functional currency. The exposure to currency risk of Group entities which do not have a RM functional currency is not material and hence, sensitivity analysis is not presented.

A 10% strengthening of Ringgit Malaysia against the following foreign currencies at the end of the reporting period would increase/(decrease) the (loss)/profit before taxation and other comprehensive income by the amounts shown below. This analysis assumes that all other variables remain unchanged.

	Effect on profit before taxation RM
Company	
2016	
SGD	152,408
2015	
SGD	130,140

Notes To The Financial Statements
31 March 2016 (Cont'd)

32. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair values of financial instruments

(i) Financial instrument at fair value

The fair value of other investment in unit trust fund is within Level 1 of the fair value hierarchy.

(ii) 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 and short term borrowings approximate their fair value due to the relatively short term nature of these financial instruments and insignificant impact of discounting.

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

The carrying amounts of the financial liabilities of the Group and of the Company at the reporting date reasonably approximate their fair values except as follows:

	GROUP		COMPANY	
	2016 RM	**2015 RM**	**2016 RM**	**2015 RM**
Financial liabilities				
Finance lease payables (Level 2)				
- Carrying amount (non-current)	9,815,548	9,448,701	628,018	1,032,818
- Fair value	10,444,335	9,845,320	647,964	1,418,307

(iii) Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

There were no transfers between levels during current financial year and previous financial period.

(iv) Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Notes To The Financial Statements
31 March 2016 (Cont'd)

32. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair values of financial instruments (continued)

(v) Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Non-derivative financial instruments

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period. In respect of the liability component of RCPS, the market rate of interest is determined by reference to similar liabilities that do not have a conversion option.

(vi) Level 3 fair value

Level 3 fair values for the financial assets and liabilities are estimated using unobservable inputs.

33. CAPITAL COMMITMENT

	GROUP	
	2016 RM	2015 RM
Capital expenditure		
Authorised and contracted for:		
- purchase of property, plant and equipment	11,300,000	728,000
- acquisition of new subsidiary companies	15,246,000	-
	26,546,000	728,000

34. CAPITAL MANAGEMENT

The Group's and the Company's objectives when managing capital are to safeguard the Group's and the Company'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 and the Company's may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Notes To The Financial Statements
31 March 2016 (Cont'd)

34. CAPITAL MANAGEMENT (CONT'D)

The Group and the Company's monitors capital using a gearing ratio. The Group's and the Company's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirement. The gearing ratios at end of the reporting period are as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Total loans and borrowings	20,751,196	17,178,084	1,018,298	1,423,098
Less: Cash and cash equivalents (exclude bank overdrafts)	(13,049,102)	(19,899,055)	(3,181,135)	(1,252,948)
Total net debts/ (excess fund)	7,702,094	(2,720,971)	(2,162,837)	170,150
Total equity attributable to owners of the parent	88,202,179	98,714,192	96,150,160	97,870,760
Gearing ratio (%)	8.73%	*	*	0.17%

* Gearing ratio is not applicable as the cash and cash equivalents were sufficient to cover the entire borrowing obligation.

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

35. SIGNIFICANT EVENTS

During the financial year, the following subsequent events took place for the Company and its subsidiary company:

(a) Minetech Resources Berhad ("MRB" or the Company")

On 16 March 2016, MRB announced that the following resolutions as set out in the Notice of the Extraordinary General Meeting ("EGM") were duly passed and approved by the shareholders present at the EGM of the Company:

(i) proposed acquisition by MRB of two (2) ordinary shares of RM1.00 each in Harapan Iringan Sdn. Bhd. ("HISB"), representing 100% of the equity interest in HISB, from Lee Kwan Ming and Shia Fui Kin for a cash consideration of RM7,510,000 ("proposed acquisition of HISB");

(ii) proposed acquisition by MRB of two (2) ordinary shares of RM1.00 each Medium Visa Sdn. Bhd. ("MVSB"), representing 100% of the equity interest in MVSB, from Choy Sen @ Chin Kim Sang and Low Choon Lan for a cash consideration of RM9,430,000 ("proposed acquisition of MVSB");

(iii) proposed acquisition by MRB of a part of a parcel leasehold land - Kinta Land from Glamour Heights Sdn. Bhd. for a cash consideration of RM6,000,000 ("proposed acquisition of Kinta Land");

(iv) proposed diversification of the existing business of the Group to include property development business;

Notes To The Financial Statements
31 March 2016 (Cont'd)

35. SIGNIFICANT EVENTS (CONT'D)

(a) Minetech Resources Berhad ("MRB" or the Company") (continued)

(v) proposed establishment of a Share Issuance Scheme ("SIS") of up to fifteen percent (15%) of the issued and paid-up share capital of MRB (excluding treasury shares, if any) at any one time during the duration of the scheme for the eligible directors and employees of the Group;

(vi) proposed granting of SIS options to the Directors of MRB and persons connected to them; and

(vii) proposed revision of intended utilisation of proceeds arising from MRB's Rights Issue of 332,404,500 new ordinary shares of RM0.15 each in MRB together with 332,404,500 Warrants 2014/2019 in MRB completed on 8 December 2014.

The proposed acquisitions of HISB and MVSB have been completed on 4 April 2016 and 21 April 2016 respectively.

(b) Minetech Construction Sdn. Bhd. ("MCSB")

On 2 February 2016, MCSB has entered into six (6) Sale and Purchase Agreements ("SPAs") with Mahsuri Kelana Sdn Bhd ("Vendor") and Yayasan FAS to acquire with vacant possession all that parcel of shop or office known as Parklane, Commercial Hub @ Kelana Jaya on "as is where is" basis from the Vendor for a total cash consideration of RM8,300,000.00. The acquisition has yet to complete as at the date of this report.

36. SUBSEQUENT EVENTS

Subsequent to the financial year, the following subsequent events took place for the Company and its subsidiary companies:

(a) The Company has on 7 April 2016 announced the mutual termination of the Sales and Purchase Agreement ("SPA") dated 30 March 2015 between its wholly-owned subsidiary company, MCSB and Monofield Sdn Bhd, the Vendor in respect of the acquisition of one (1) unit of double storey terrace shop office in Taman Bercham Jaya, Ipoh. In tandem with the termination, the SPA shall be of no further effect.

(b) The Company had on 26 April 2016 announced a Proposed Private Placement that entails the issuance of up to 99,749,800 new ordinary shares of RM0.15 each in MRB ("MRB Shares" or "Shares")("Placement Shares"), representing not more than ten percent (10%) of the enlarged issued and paid-up share capital of MRB of RM149,624,775 comprising 997,498,500 MRB Shares, after taking into consideration the following:

(i) MRB's existing issued and paid-up share capital of RM99,721,350 comprising 664,809,000 MRB Shares (i.e., after excluding 285,000 MRB Shares held as treasury shares by the Company ("Treasury Shares") as at 25 April 2016 (being the latest practicable date prior to this announcement ("LPD"));

(ii) assuming full exercise of the 332,404,500 outstanding warrants 2014/2019 in MRB ("Warrants 2014/2019") as at the LPD into 332,404,500 new MRB Shares; and

(iii) assuming the 285,000 Treasury Shares are resold in the open market by MRB, prior to the implementation of the Proposed Private Placement (collectively known as "Maximum Scenario").

Notes To The Financial Statements
31 March 2016 (Cont'd)

36. SUBSEQUENT EVENTS (CONT'D)

Based on the minimum scenario, the size of the Proposed Private Placement is up to 66,480,900 Placement Shares, representing not more than ten percent (10%) of the existing issued and paid-up share capital of MRB of RM99,721,350 comprising 664,809,000 MRB Shares (i.e., after excluding 285,000 Treasury Shares) as at the LPD, assuming none of the outstanding Warrants 2014/2019 is exercised into new MRB Shares and none of the Treasury Shares is resold in the open market prior to the implementation of the Proposed Private Placement ("Minimum Scenario").

On 18 May 2016, MRB announced that Bursa Securities has, vide its letter dated 18 May 2016, resolved to approve the listing and quotation of up to 99,749,800 new Placement Shares to be issued pursuant to the Proposed Private Placement.

On 1 July 2016, MRB announced that the Board has fixed the issue price for the first (1st) placement tranche of 30,000,000 Placement Shares at RM0.150 each ("Issue Price"). The Issue Price is the same as the par value of MRB Shares and is at a premium of approximately RM0.0607 or 67.97% to the five (5)-day volume weighted average market price of the MRB Shares up to and including 30 June 2016, being the last market day immediately preceding the Price-fixing Date, of RM0.0893.

(c) The Company had completed the transfer of the entire 500,000 issued and paid up share capital in Minetech Quaries Sdn Bhd ("MQSB") from the Company to K.S. Chin Minerals Sdn Bhd ("KSCM") for internal restructuring (Share Transfer). KSCM is a direct wholly-owned subsidary of the Company. Prior to the Share Transfer, MQSB is wholly-owned by the Company. With the completion of the Share Transfer, MQSB becomes a direct wholly-owned subsidiary of KSCM and an indirect wholly-owned subsidiary of the Company.

37. LITIGATION AND CLAIMS MATTER

The Group is not engaged in any material litigation as at the date of this report other than the following:

(a) **Status update on the Writ of Summons dated 1 April 2013 served by the Company's wholly owned subsidiary, Optimis Dinamik Sdn Bhd ("ODSB") to Sri Manjung Granite Quarry Sdn Bhd ("SMGQ") (Kuala Lumpur High Court Suit No. S-22NCVC-288-04/2013)**

ODSB the indirect wholly-owned subsidiary company of MRB, and SMGQ had entered into an agreement dated 28 March 2006 ("Agreement") for ODSB to be given the exclusive right to undertake quarry works at quarry sites located in Mukim Pengkalan Baru, Daerah Manjung, Perak ("Quarry Sites") as described in the Agreement for a period of fifteen (15) years.

ODSB received a letter dated 20 December 2012 from SMGQ, the owner of the Quarry Sites, giving sixty (60) days' notice to cease any remaining operation or activity on the Quarry Sites and to dismantle and remove all plant and machinery and vacate all buildings and structures at the Quarry Sites and return the Quarry Sites to SMGQ.

On 1 April 2013, the Company through its Advocates, Messrs CK Oon & Co., served on the Defendant, SMGQ, through its Advocates, Messrs Gan Partnership, and submitted to the Arbitrator and the High Court of Kuala Lumpur, Commercial Division for Arbitration its Statement of Claim for the sum of RM43,397,367 being the loss of profit calculated from 2013 to 2021 and sum of RM14,818,447 being the net book value for fixed assets.

On 16 April 2013 Case Management, ODSB has been served a Defence and Counter claimed by the Defendant, SMGQ. The Defendant contends that ODSB violated the conditions of license by the Forest Office by using lorries with unregistered sub-licenses and gave ODSB a period of 60 days to vacate the quarry and return the quarry to the Defendant via Defendant's solicitors' letter dated 20 December 2012. In addition, the Defendant counter claim for the tribute of RM256,300 for the months of October and November 2012, respectively for RM169,095 and RM87,205 and the forwarding agency fee for materials shipped to Singapore for the months of September, October and November 2012 in the sum of RM24,624.

Notes To The Financial Statements
31 March 2016 (Cont'd)

37. LITIGATION AND CLAIMS MATTER (CONT'D)

(a) **Status update on the Writ of Summons dated 1 April 2013 served by the Company's wholly owned subsidiary, Optimis Dinamik Sdn Bhd ("ODSB") to Sri Manjung Granite Quarry Sdn Bhd ("SMGQ") (Kuala Lumpur High Court Suit No. S-22NCVC-288-04/2013) (continued)**

At the hearing date for SMGQ's injunction application on 29 May 2013, ODSB was directed to deliver vacant possession of the Quarry Sites to SMGQ on or before 12 July 2013. ODSB fully evacuated the Quarry Sites on 9 July 2013.

SMGQ by way of an amended statement of defence and amended counter-claim dated 20 March 2014 added Minetech Quarries Sdn Bhd ("MQSB"), our wholly-owned subsidiary company, as a party to the amended counter-claim by reason of a performance guarantee dated 28 March 2006 in favour of SMGQ.

The trial of the above matter commenced on 30 October 2015. The Court has fixed 15 February 2016, 3 to 4 March 2016 for continued hearing. This has been further postponed to 11 and 12 August 2016 and 19 to 21 September 2016.

On 30 June 2016, the High Court has allowed SMGQ's application to amend its defence and counter-claim and to add MRB, the holding company of ODSB and MQSB as the 3rd Defendant in the counter-claim. MRB will be filing an appeal against the High Court's decision and is currently seeking legal advice on the matter. MRB does not expect the counter claim by SMGQ to materially affect the financial and operational matters of MRB and its Group at this moment.

In addition, ODSB's solicitors are of the view that ODSB has a reasonable prospect of succeeding in its claim for damages and it is for SMGQ to proof its counter-claim. The exposure of liabilities as a result of this would be the amount claimed in SMGQ's counter claim (in the event that SMGQ's counter claim is allowed with cost and ODSB's claim is dismissed with cost) and the legal fees incurred in ODSB's engagement of the solicitors to litigate this matter amounting to approximately RM500,000.

(b) **ODSB, Minetech Quarries Sdn Bhd ("MQSB") and K. S. Chin Minerals Sdn Bhd ("KSCM") vs SMGQ, Moo Khean Choong @ Mu Kan Chong, AtmaSingh @ Atma Singh Lahre s/o Keer Singh and Low Sow Pong (Kuala Lumpur High Court Suit No. 22NCVC-433-09/2014)**

ODSB, MQSB and KSCM, the wholly-owned subsidiary companies of MRB (collectively referred to as the "Subsidiary Companies") had on 19 September 2014 through their solicitors served a statement of claim and writ of summons both dated 15 September 2014 against SMGQ and its shareholders, namely Moo Khean Choong @ Mu Kan Chong, Atma Singh @ Atma Singh Lahre s/o Keer Singh and Low Sow Fong ("Defendants") in the High Court of Malaya. By this suit, the Subsidiary Companies sought for orders to rescind the agreement dated 28 March 2006 as mentioned in Note 37(a) above, demanded general damages to be assessed by the Senior Assistant Registrar, special damages in the sum of RM4,000,000 for the wasted expenditure incurred in developing the Quarry Sites, interest and cost.

The subject matter of this suit is based on the breach of the agreement dated 28 March 2006 as mentioned in Note 37(a) above. However, the reliefs sought herein are different from the above suit described in Note 37(a) above.

This suit is premised on the deceit and misrepresentation that is committed by the Defendants against the Subsidiary Companies and also involving the tort of deceit. This has caused the Subsidiary Companies to suffer loss and damages.

Notes To The Financial Statements
31 March 2016 (Cont'd)

37. LITIGATION AND CLAIMS MATTER (CONT'D)

(b) **ODSB, Minetech Quarries Sdn Bhd ("MQSB") and K. S. Chin Minerals Sdn Bhd ("KSCM") vs SMGQ, Moo Khean Choong @ Mu Kan Chong, AtmaSingh @ Atma Singh Lahre s/o Keer Singh and Low Sow Pong (Kuala Lumpur High Court Suit No. 22NCVC-433-09/2014) (continued)**

This suit will be heard together with Kuala Lumpur High Court Suit No. S- 22NCVC-288-04/2013. As such, the trial dates for both the suits are the same.

The Subsidiary Companies' solicitors are of the view that the Subsidiary Companies have a reasonable prospect of succeeding subject to the fact that the Subsidiary Companies are able to furnish or provide the relevant evidence in respect of the matters averred in the statement of claim. In the worst case scenario, the Subsidiary Companies will be liable to the Defendants for costs incurred.

(c) **Diman KS Chin Sdn Bhd vs Diman Premix Industries Sdn Bhd (Shah Alam High Court Suit No. 22NCVC-560-10/2015)**

Diman KS Chin Sdn Bhd ("DKSC"), the wholly-owned subsidiary company of MRB, at the request of Diman Premix Industries Sdn Bhd ("DPI") supplied DPI with premix and quarry products. The total outstanding sum which is due and payable to DKSC for the supply of premix and quarry products to DPI is RM471,798.79.

DKSC filed an action at the Sessions Court for the sum payable. DPI on the other hand counter claimed against the Plaintiff, amongst others, for Special Damages in the sum of RM 1,701,106.80 and General Damages.

On 28 July 2015, DPI filed an Originating Summons vide Shah Alam High Court Originating Summons No. 24-904-07/2015 to transfer the Sessions Court Suit to the High Court in light of their counter claim. On 1 September 2015, the High Court allowed DPI's application. The Suit is now registered as Shah Alam High CourtSuit No. 22NCVC-560-10/2015 and the matter was fixed for Case Management on 22 February 2016 with the matter fixed for trial on 9th and 10th May 2016.

However, an out of court settlement has been reached by way of a consent judgement and MRB is awaiting the sealed order by the court.

(d) **Lee Cheng Yew vs Minetech Resources Berhad (Kuala Lumpur High Court Case No. 13(25)/4-1104/2015)**

Lee Cheng Yew (a former employee of MRB) filed a claim for constructive dismissal against MRB. In her claim, she is claiming for backwages as well as reinstatement (with compensation in lieu of reinstatement).

The contingent liability of MRB in the event the Claimant's claim for constructive dismissal was allowed by the Industrial Court was RM215,000.

The case is presently pending in the Industrial Court, whereby both parties have filed their Statement of Case and Statement of Reply respectively. Subsequent to the mediation date on 26 May 2016, the case would now go on trial as the amount stated in the out of court settlement was not acceptable by MRB.

38. COMPARATIVE FIGURES

The figures for the financial statements of previous financial period were from 1 January 2014 to 31 March 2015. As they reflect the results for more than 12 months, these are not comparable to the current year results.

39. DATE OF AUTHORISATION FOR ISSUE

The financial statements of the Group and of the Company for the financial year ended 31 March 2016 were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 12 July 2016.

Notes To The Financial Statements
31 March 2016 (Cont'd)

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

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

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Total accumulated losses of the Company and its subsidiary companies				
- realised	3,741,503	14,030,912	(4,356,577)	(2,635,977)
- unrealised	(1,846,352)	(2,298,465)	-	-
	1,895,151	11,732,447	(4,356,577)	(2,635,977)
Total share of accumulated losses from associate companies				
- realised	(257,745)	(122,500)	-	-
	1,637,406	11,609,947	(4,356,577)	(2,635,977)
Consolidation adjustments	(14,125,528)	(13,803,595)	-	-
	(12,488,122)	(2,193,648)	(4,356,577)	(2,635,977)

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

LIST OF PROPERTIES
AS AT 31 MARCH 2016

No	Name of Registered Owner/ Postal Address/Title Identification	Approximate Age of Building/Tenure/Date of Expiry of Lease	Description and Existing Use/Date of Acquisition	Approximate Land area/ Built up area (square metres)	Net Book Value @ 31 March 2016 (RM)
	Minetech Construction Sdn Bhd				
1	Unit A6-02 and A6-04 Plaza Dwitasik No. 21 Jalan 5/106 Bandar Seri Permaisuri 56000 Kuala Lumpur **Phase 1, Level 6** **Unit No. 13.2 and 14.2** **Storey Level 6** **Block A Plaza Dwitasik** **PN 27024 Lot 51975** **Mukim Kuala Lumpur** **Daerah Kuala Lumpur**	14 years/99 years leasehold/Expiring on 11 January 2095	2 commercial office units currently rented to third parties/ 18 January 1996	- 879	273,286
2.	Unit 123-523, Unit 223A-523A FAS Business Avenue Jalan Perbandaran 47301 Petaling Jaya Selangor Darul Ehsan **Unit 12A-12I HS (D) 85220** **PT 14532 Mukim Damansara** **Daerah Petaling***	18 years/99 years leasehold/Expiring on 6 December 2092	9 units 5 storey commercial shop lots currently used as the Group's offices/ 22 November 1994	- 720	1,052,598
	Minetech Realty Sdn Bhd				
1.	SA-SM23, SA-SG23, SA-SG25, SA-SG26, SA-SG29 Ukay Perdana **HS(M) 12614 PT 643 and** **HS(M) 12615 PT 644** **both in Bandar Ulu Kelang** **Tempat Batu 7 Ulu Kelang** **(Ukay Perdana)** **Daerah Gombak** **Negeri Selangor***	5 years/99 years leasehold/Expiring on 4 October 2100	5 units commercial shop lots currently rented to third parties/ 4 units were acquired on 30 April 2004 SA-SG26 was acquired on 10 May 2004	- 731	1,378,347
	Minetech Asphalt Man International Sdn Bhd				
1.	Lot 1414 Mukim Ulu Yam District of Hulu Selangor Selangor Darul Ehsan Title: GM 5739	Freehold land and factory building	Freehold land/ Factory building/ 27 February 2007	14,416.9	4,108,555
	Grand Total				**6,812,786**

Note:-

* The land title particulars disclosed are the particulars of the master titles registered under the names of the respective developers. The respective strata titles of properties in Ukay Perdana and FAS Business Avenue to the individual commercial shop lots have yet to be issued.

ANALYSIS OF SHAREHOLDINGS
AS AT 30 JUNE 2016

Authorised Share Capital	:	RM300,000,000.00 divided into 2,000,000,000 Ordinary Shares of RM0.15 each
Issued and Paid-Up Share Capital	:	RM99,764,100 divided into 665,094,000 Ordinary Shares of RM0.15 each (including shares held as treasury shares)
Treasury Shares	:	285,000 Ordinary Shares of RM0.15 each
Class of Shares	:	Ordinary Share of RM0.15 each
Voting Rights	:	One vote per Ordinary Share

ANALYSIS OF SHAREHOLDINGS
Distribution of shareholdings according to size:

Size of Holdings	No. of Shareholders/ Depositors	% of Shareholders/ Depositors	No. of Shares Held	% of Issued Capital
1 - 99	8	0.27	190	0.00
100 - 1,000	339	11.54	179,010	0.03
1,001 - 10,000	513	17.46	3,709,400	0.56
10,001 - 100,000	1,460	49.70	73,160,450	11.00
100,001 to less than 5% of Issued Shares	617	21.00	429,711,440	64.64
5% and above of Issued Shares	1	0.03	158,048,510	23.77
Total	**2,938**	**100.00**	**664,809,000***	**100.00**

* Excluding a total of 285,000 shares bought-back by the Company and retained as treasury shares as per the Record of Depositors as at 30 June 2016.

SUBSTANTIAL SHAREHOLDERS
(As per Register of Substantial Shareholders)

	<------------- Direct ------------->		<------------- Indirect ------------->	
Name of Shareholders	No. of Shares Held	% of Issued Capital[#]	No. of Shares Held	% of Issued Capital[#]
Choy Sen @ Chin Kim Sang	172,897,020	26.00	-	-

[#] Excluding a total of 285,000 shares bought-back by the Company and retained as treasury shares.

Analysis of Shareholdings (Cont'd)

As at 30 June 2016

SHAREHOLDINGS OF DIRECTORS
(As per Register of Directors' Shareholdings)

Name of Directors	Direct No. of Shares Held	Direct % of Issued Capital#	Indirect No. of Shares Held	Indirect % of Issued Capital#
Choy Sen @ Chin Kim Sang	172,897,020	26.00	-	-
Chin Leong Choy	-	-	-	-
Ng Kok Hok	-	-	-	-
Chan Toong San	-	-	-	-
Chong Jun Heng	-	-	-	-
Ahmad Ruslan Zahari Bin Zakaria	-	-	-	-
Chin Kong Yaw	-	-	-	-
Peter Ling Sie Wuong	-	-	-	-
Low Choon Lan *(Alternate Director to Choy Sen @ Chin Kim Sang)*	-	-	*172,897,020[1]*	*26.00*

Note:

1 Deemed interested by virtue of her spouse's shareholdings in Minetech Resources Berhad.

Excluding a total of 285,000 shares bought-back by the Company and retained as treasury shares.

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares Held	% of Issued Capital#
1.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Choy Sen @ Chin Kim Sang	158,048,510	23.773
2.	Yeoh Keat Chuan	21,000,000	3.158
3.	Choy Sen @ Chin Kim Sang	14,848,510	2.233
4.	AllianceGroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Goh Juai Hian (100378)	14,000,000	2.105
5.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Shum Thin Woon	12,516,000	1.882
6.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Goh Juai Hian (KPG/PMS)	9,000,000	1.353
7.	Lee Fong Kuan	7,500,000	1.128
8.	Lee Kwan Ming	7,316,400	1.100
9.	Lee Swee	7,000,000	1.052
10.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Viannie Undikai	6,891,500	1.036
11.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mak Bonleo	6,702,800	1.008

Analysis of Shareholdings (Cont'd)

As at 30 June 2016

THIRTY (30) LARGEST SHAREHOLDERS (continued)

No.	Name of Shareholders	No. of Shares Held	% of Issued Capital#
12.	Wong Puay Chen	6,500,000	0.977
13.	Hong Foh Nyok	5,567,000	0.837
14.	Shia Fui Kin	5,010,700	0.753
15.	Ung Yoke Hong	4,479,400	0.673
16.	TA Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Wong Wai Sun	4,100,000	0.616
17.	Wong Chee Kin	4,100,000	0.616
18.	Chew Soon Fatt	4,095,100	0.616
19.	Ng Chong Yow	4,000,000	0.601
20.	Wong Chee Kin	3,900,000	0.586
21.	Ng Chian Tin	3,630,000	0.546
22.	Citigroup Nominees (Asing) Sdn Bhd Exempt AN for OCBC Securities Private Limited (Client A/C-NR)	3,600,000	0.541
23.	Leong Mun Cheon	3,585,000	0.539
24.	Shum Thin Soon	3,520,000	0.529
25.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Jega Devan A/L M Nadchatiram	3,396,000	0.510
26.	Lee Min Shan	3,391,800	0.510
27.	Hong Hsien Tsai	3,229,000	0.485
28.	Lee Teck Keong	3,000,000	0.451
29.	Teh Bee Gaik	2,900,000	0.436
30.	Yan Hock Chuan	2,900,000	0.436

Excluding a total of 285,000 shares bought-back by the Company and retained as treasury shares.

ANALYSIS OF WARRANT HOLDINGS
AS AT 30 JUNE 2016

Total Number of Outstanding Warrants A	:	332,404,500
Issue Date	:	28 November 2014
Expiry Date	:	27 November 2019
Exercise Price of Warrants A	:	RM0.15

ANALYSIS OF WARRANT HOLDINGS
Distribution of warrant holdings according to size:

Size of Warrant Holdings	No. of Warrant Holders/ Depositors	% of Warrant Holders/ Depositors	No. of Warrants Held	% of Issued Warrants
1 - 99	1	0.10	10	0.00
100 - 1,000	32	3.24	18,300	0.01
1,001 - 10,000	119	12.03	908,500	0.27
10,001 - 100,000	496	50.15	27,999,625	8.42
100,001 to less than 5% of Issued Warrants	340	34.38	285,478,065	85.88
5% and above of Issued Warrants	1	0.10	18,000,000	5.42
Total	**989**	**100.00**	**332,404,500**	**100.00**

WARRANT HOLDINGS OF DIRECTORS
(As per Register of Directors' Warrants Holdings)

	<------------- Direct -------------->		<------------- Indirect ------------>	
Name of Directors	No. of Warrants held	% of Issued Warrants	No. of Warrants held	% of Issued Warrants
Choy Sen @ Chin Kim Sang	-	-	-	-
Chin Leong Choy	-	-	-	-
Ng Kok Hok	-	-	-	-
Chan Toong San	-	-	-	-
Chong Jun Heng	-	-	-	-
Ahmad Ruslan Zahari Bin Zakaria	-	-	-	-
Chin Kong Yaw	-	-	-	-
Peter Ling Sie Wuong	-	-	-	-
Low Choon Lan *(Alternate Director to Choy Sen @ Chin Kim Sang)*	-	-	-	-

THIRTY (30) LARGEST WARRANT HOLDERS

No.	Name of Warrant Holders	No. of Warrants Held	% of Issued Warrants
1.	Yeoh Keat Chuan	18,000,000	5.415
2.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chin Seoh	13,546,600	4.075
3.	Maybank Nominees (Tempatan) Sdn Bhd Shum Thin Woon	12,898,000	3.880
4.	Lum Yin Mui	12,610,000	3.793
5.	Tan Thong Weng	10,500,000	3.158

Analysis of Warrant Holdings (Cont'd)

As at 30 June 2016

THIRTY (30) LARGEST WARRANT HOLDERS (continued)

No.	Name of Warrant Holders	No. of Warrants Held	% of Issued Warrants
6.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Jega Devan A/L M Nadchatiram	6,698,000	2.015
7.	Wong Puay Chen	6,500,000	1.955
8.	Lim Kian Leong	5,761,800	1.733
9.	RHB Nominees (Tempatan) Sdn Bhd Soo Hock Chiang @ Sai Hock Chiang	4,500,000	1.353
10.	Wong Chee Kin	4,500,000	1.353
11.	Lee Kwan Ming	4,299,000	1.293
12.	Mohd Ariff Bin Baharudin	4,142,000	1.246
13.	Ng Wooi Ying	3,780,000	1.137
14.	Ng Chian Tin	3,500,000	1.052
15.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Noorazian Binti Zainal Abidin	3,365,000	1.012
16.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Kian Leong	3,086,800	0.928
17.	Lim Ken Ang	3,025,000	0.910
18.	Chia Yaw Ping	3,000,000	0.902
19.	RHB Nominees (Tempatan) Sdn Bhd Tan Yu Hock	3,000,000	0.902
20.	Shum Thin Soon	2,880,000	0.866
21.	Hong Foh Nyok	2,817,000	0.847
22.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Goh Juai Hian (M09)	2,500,000	0.752
23.	Chan Yao That	2,500,000	0.752
24.	Ng Chian Tin	2,500,000	0.752
25.	Pak Liew Mei	2,480,000	0.746
26.	Lai Weng Chee @ Lai Kok Chye	2,300,000	0.691
27.	Liu, Ching-An	2,250,000	0.676
28.	Hong Hsien Tsai	2,200,000	0.661
29.	Soo Maun Ching	2,140,000	0.643
30.	Anand A/L Balakrishnan	2,042,100	0.614

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fourteenth Annual General Meeting of MINETECH RESOURCES BERHAD (the "Company") will be held at Tioman Room, Bukit Jalil Golf & Country Resort, Berjaya Golf Resort Berhad, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur, Wilayah Persekutuan on Thursday, 25 August 2016 at 10.00 a.m. for the following purposes:

A G E N D A

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 March 2016 together with the Directors' and Auditors' Reports thereon. **(Please refer to Note 1 of the Explanatory Notes)**

2. To re-elect the following Directors of the Company who are retiring pursuant to Article 125 of the Company's Articles of Association:-

   i) Mr Chin Leong Choy **Ordinary Resolution 1**
   ii) Encik Ahmad Ruslan Zahari Bin Zakaria **Ordinary Resolution 2**

3. To re-elect the following Directors of the Company who are retiring pursuant to Article 130 of the Company's Articles of Association:-

   i) Mr Chan Toong San **Ordinary Resolution 3**
   ii) Mr Chong Jun Heng **Ordinary Resolution 4**

4. To re-appoint Messrs UHY as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 5**

As Special Business

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

5. **AUTHORITY UNDER SECTION 132D OF THE COMPANIES ACT, 1965 FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES** **Ordinary Resolution 6**

   "THAT, pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the issued share capital of the Company for the time being, subject always to the approval of all relevant regulatory authorities being obtained for such allotment and issuance."

6. **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES ("PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK")** **Ordinary Resolution 7**

   "THAT subject to the Companies Act, 1965, the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Company be and is hereby authorised to utilise an amount not exceeding the total retained profits and/or share premium account of the Company, for the purpose of purchasing such amount of ordinary shares of RM0.15 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased and/or held by the Company pursuant to this resolution does not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company for the time being.

Notice Of Annual General Meeting (Cont'd)

6. **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES ("PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK") (CONT'D)**

THAT the Directors of the Company be and are hereby authorised to deal with the shares purchased at their absolute discretion, either partially or fully, in the following manner:

(i) cancel all the shares so purchased;

(ii) retain the shares so purchased as treasury shares;

(iii) distribute the treasury shares as share dividends to shareholders;

(iv) resell the treasury shares on Bursa Securities in accordance to the Main Market Listing Requirements of Bursa Securities; and

(v) any combination of (i), (ii), (iii) and (iv) above.

THAT the authority conferred by this resolution shall continue to be in force until:

(a) the conclusion of the next Annual General Meeting of the Company following the forthcoming Annual General Meeting, at which time the said authority will lapse, unless the authority is renewed at that meeting, either unconditionally or subject to conditions; or

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

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

whichever occurs first.

AND THAT the Directors of the Company be authorised to take all steps necessary to implement, complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Authority for Share Buy-Back as may be agreed or allowed by any relevant governmental and/or regulatory authorities."

7. **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY** — **Special Resolution**

"THAT the proposed amendments to the Articles of Association of the Company as set out in Appendix A of the Notice of Annual General Meeting be and is hereby approved AND THAT the Directors of the Company be and are hereby authorised to do all things and acts necessary to effect the amendments to the Articles of Association of the Company."

BY ORDER OF THE BOARD

TAI YIT CHAN (MAICSA 7009143)
TE HOCK WEE (MAICSA 7054787)
Company Secretaries

Selangor Darul Ehsan
Date: 29 July 2016

Notice Of Annual General Meeting (Cont'd)

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote for him but his attendance shall automatically revoke the proxy's authority. A proxy may but need not be a member of the Company. If the proxy is not a member, the proxy need not be an advocate, an approved company auditors or a person approved by the Registrar of Companies.

2. A member may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

4. The instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.

5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Registered Office of the Company at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan at least forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

6. In respect of deposited securities, only members whose names appear on the Record of Depositors on 18 August 2016 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

Explanatory Notes

1. To receive the Audited Financial Statements

Agenda item no. 1 is meant for discussion only as the provision of Section 169(1) of the Act 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.

2. Ordinary Resolution 6 on the Authority under Section 132D of the Companies Act, 1965 for the Directors to allot and issue shares

The Company had, during its Thirteenth Annual General Meeting ("AGM") held on 21 August 2015, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 132D of the Companies Act, 1965 ("the Act"). As at the date of Notice, the Company had issued 30,000,000 ordinary shares of RM0.15 each at par pursuant to this mandate obtained. The proceeds of RM4,500,000.00 raised from the private placement would be utilitised as working capital and defraying of expenses incidental to the private placement.

The Ordinary Resolution 6 proposed under item 5 of the Agenda is a renewal of the mandate obtained from its shareholders at the last AGM held on 21 August 2015. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for purpose of funding future investment, working capital or strategic development of the Group. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

Notice Of Annual General Meeting (Cont'd)

3. **Ordinary Resolution 7 on Proposed Renewal of Authority for Share Buy-Back**

   The proposed Ordinary Resolution 7, if passed, will empower the Directors to purchase the Company's shares of up to 10% of the issued and paid-up share capital of the Company at any point in time, by utilising the funds allocated which shall not exceed the total retained profits and share premium of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting.

   Please refer to the Statement to Shareholders dated 29 July 2016 accompanying the Annual Report of the Company for the financial year ended 31 March 2016 for further information.

4. **Special Resolution on Proposed Amendments to the Articles of Association of the Company**

   The Special Resolution, if passed, will allow the Chairman the prerogative to promote orderly conduct of general meetings and render the Articles of Association of the Company to be in line with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Personal data privacy:
By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Notice Of Annual General Meeting (Cont'd)

Appendix A

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

The Articles of Association of the Company are proposed to be amended in the following manner:-

Article No.	Existing Articles	Amended Articles
To amend Article 2	(1)(e) 'Bursa Securities' : Bursa Malaysia Securities Berhad (Company No. 635998-W)	(1)(e) 'Bursa Securities' **or 'Exchange'** : Bursa Malaysia Securities Berhad (Company No. 635998-W)
To amend Article 65	Subject to the provision of the Act, and the <u>requirements of the Exchange</u> and/or any other relevant authorities, the Company may from time to time by resolution of a general meeting, acquire by purchase in good faith and in the best interest of the Company, the Company's own Shares through the Exchange on which the Shares are quoted provided always that the Company is solvent at the date of purchase of the Company's Shares and will not become insolvent by incurring the debt arising from the obligation to pay for the Shares so purchased. The Company may provide financial assistance to persons for the purchase of fully-paid shares in the Company in accordance with the Act.	Subject to the provision of the Act, and the **Listing Requirements** and/or any other relevant authorities, the Company may from time to time by resolution of a general meeting, acquire by purchase in good faith and in the best interest of the Company, the Company's own Shares through the Exchange on which the Shares are quoted provided always that the Company is solvent at the date of purchase of the Company's Shares and will not become insolvent by incurring the debt arising from the obligation to pay for the Shares so purchased. The Company may provide financial assistance to persons for the purchase of fully-paid shares in the Company in accordance with the Act.

Notice Of Annual General Meeting (Cont'd)

Appendix A (continued)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY (continued)

Article No.	Existing Articles	Amended Articles
To amend Article 89	A resolution put to vote at a meeting shall be decided on a show of hands unless before, or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the Act, a poll may be demanded: (1) by the Chairman; or (2) by at least five (5) Members having the right to vote at the meeting; or (3) by a Member or Members representing at least one-tenth of the total voting rights of all the Members having the right to vote at the meeting; (4) by a Member or Members holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to at least one-tenth of the total sum paid on all the Shares conferring that right, and a demand by a person as proxy for or attorney of a Member (whether individual, corporate or otherwise) or as duly authorised representative for a corporate Member shall be the same as a demand by the Member.	**Subject to the Listing Requirements, any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting shall be voted by poll.** Subject to the Act, a poll may be demanded: (1) by the Chairman; or (2) by at least five (5) Members having the right to vote at the meeting; or (3) by a Member or Members representing at least one-tenth of the total voting rights of all the Members having the right to vote at the meeting; (4) by a Member or Members holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to at least one-tenth of the total sum paid on all the Shares conferring that right, and a demand by a person as proxy for or attorney of a Member (whether individual, corporate or otherwise) or as duly authorised representative for a corporate Member shall be the same as a demand by the Member.

Notice Of Annual General Meeting (Cont'd)

Appendix A (continued)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY (continued)

Article No.	Existing Articles	Amended Articles
To amend Article 91	A poll shall be taken as the Chairman directs <u>(including without limitation) the use of ballot or voting papers or tickets and he may appoint scrutineers (who need not be Members) and</u> fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.	A poll shall be taken **in such manner** as the Chairman of the meeting directs and **at least one (1) scrutineer must be appointed to validate the votes cast at the general meeting. The appointed scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process. The Chairman of the meeting** may fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. **The poll may be conducted manually using voting slips or electronically using various forms of electronic devices. Such votes shall be counted by the poll administrator, and verified by the scrutineer, as may be appointed by the Chairman of the meeting for the purpose of determining the outcome of the resolution(s) to be decided on poll.**
To amend Article 93	<u>No</u> poll <u>shall be</u> demanded on the election of a Chairman or on a question of adjournment. A poll demanded on any other question shall be taken either forthwith or at such time and place as the Chairman directs. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.	**Any** poll **duly** demanded on the election of a Chairman **of a meeting** or on a question of adjournment **shall be taken forthwith at the meeting and without adjournment.** A poll demanded on any other question shall be taken either forthwith or at such time and place as the Chairman **of the meeting** directs. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

Notice Of Annual General Meeting (Cont'd)

Appendix A (continued)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY (continued)

Article No.	Existing Articles	Amended Articles
To amend Article 96	Subject to any rights or restrictions attached to any Shares, every Member who: (1) being an individual, is present in person or by proxy or attorney; or (2) being a corporation, is present by a duly authorised representative or by proxy or attorney, shall on a show of hands have one (1) vote and on a poll every Member shall have one (1) vote for every share of which he is the holder. On a poll votes may be given either personally or by proxy or by attorney or by a duly authorised representative of a corporate Member. A proxy shall be entitled to vote on a show of hands on any question at any general meeting.	Subject to **Article 89 and** any rights or restrictions attached to any Shares, every Member who: (1) being an individual, is present in person or by proxy or attorney; or (2) being a corporation, is present by a duly authorised representative or by proxy or attorney, shall on a show of hands have one (1) vote and on a poll every Member shall have one (1) vote for every share of which he is the holder. On a poll votes may be given either personally or by proxy or by attorney or by a duly authorised representative of a corporate Member. **Subject to Article 89, a** proxy shall be entitled to vote on a show of hands on any question at any general meeting.
To amend Article 97	A Member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by his committee or by such other person as properly has the management of his estate, and any such committee or other person may vote by proxy or attorney. Evidence to the Directors' satisfaction of the person claiming to exercise the right to vote shall be deposited at the Office, at least 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised. If this is not done, the right to vote shall not be exercisable.	**Subject to Article 89, a** Member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by his committee or by such other person as properly has the management of his estate, and any such committee or other person may vote by proxy or attorney. Evidence to the Directors' satisfaction of the person claiming to exercise the right to vote shall be deposited at the Office, at least 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised. If this is not done, the right to vote shall not be exercisable.

Notice Of Annual General Meeting (Cont'd)

Appendix A (continued)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY (continued)

Article No.	Existing Articles	Amended Articles
To add Article 104A	*(New provision)*	**Without prejudice to any other power which the Chairman may have under the provisions of these Articles or at common law and subject to the Act and the Listing Requirements, the Chairman may take such action as he thinks fit to promote the orderly conduct of the business of all general meetings as specified in the notice of such meetings and the Chairman's decision on matters of procedure or arising incidentally from the business of such meetings shall be final, as shall be his determination as to whether any matter is of such a nature.**
To amend Article 128	No person (except a retiring Director (whether by rotation or otherwise) shall be eligible for election to the office of Director at any general meeting unless: (1) a Member intending to propose him for election has, at least eleven (11) clear days before the meeting, left at the Office a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such Member to propose him for election; or (2) in the case of a person recommended by the Directors for election, such notice referred to in Article 128(1) may be left at the Office nine (9) clear days before the meeting, and notice of each and every candidature for election to the board of Directors shall be served on the Members at least seven (7) days before the meeting at which the election is to take place.	No person (except a retiring Director (whether by rotation or otherwise) shall be eligible for election to the office of Director at any general meeting unless: (1) a Member intending to propose him for election has, at least eleven (11) clear days before the meeting, left at the Office a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such Member to propose him for election; or (2) in the case of a person recommended by the Directors for election, such notice referred to in Article 128(1) may be left at the Office nine (9) clear days before the meeting, and notice of each and every candidature for election to the board of Directors shall be served on the Members at least seven (7) days before the meeting at which the election is to take place. **The cost of serving the notice to propose the election of a Director where the nomination is made by a member or members, shall be borne by the member or members making the nomination.**

Notice Of Annual General Meeting (Cont'd)

Appendix A (continued)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY (continued)

Article No.	Existing Articles	Amended Articles
To amend Article 174	A copy of the reports by the Directors and auditors of the Company, the profit and loss accounts, balance sheets and group accounts (if any) (including all documents required by law to be annexed or attached to all or any of them) shall be sent (not later than six (6) Months after the close of the financial year and at least twenty-one (21) days before the general meeting at which they are to be laid) to all Members, holder of debentures and all other persons entitled to receive notices of general meetings under the Act or these Articles. A copy of the reports sent to Members may be in printed form or in CD-ROM form. The interval between the close of a financial year of the Company and the issue of the annual audited accounts, the Directors' and auditors' reports shall not exceed four (4) Months. The requisite number of copies of each such document as may be required by the Bursa Securities or other stock exchange(s), if any, upon which the Company's shares may be listed, shall at the same time be likewise sent to the Bursa Securities or other stock exchanges(s) provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy, free of charge on application at the Company's Office. In the event that the annual report is sent in CD-ROM form or such form of electronic media and a Member requires a printed form of such documents, the Company shall send such documents to the Member within four (4) market days from the date of receipt of the Members' request.	A copy of the reports by the Directors and auditors of the Company, the profit and loss accounts, balance sheets and group accounts (if any) (including all documents required by law to be annexed or attached to all or any of them) shall be sent (not later than six (6) Months after the close of the financial year and at least twenty-one (21) days before the general meeting at which they are to be laid) to all Members, holder of debentures and all other persons entitled to receive notices of general meetings under the Act or these Articles. A copy of the reports sent to Members may be in printed form or in CD-ROM form. The requisite number of copies of each such document as may be required by the Bursa Securities or other stock exchange(s), if any, upon which the Company's shares may be listed, shall at the same time be likewise sent to the Bursa Securities or other stock exchanges(s) provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy, free of charge on application at the Company's Office. In the event that the annual report is sent in CD-ROM form or such form of electronic media and a Member requires a printed form of such documents, the Company shall send such documents to the Member within four (4) market days from the date of receipt of the Members' request.

Proxy Form

MRB
(575543-X)
MINETECH RESOURCES BERHAD
Incorporated in Malaysia

No. of ordinary shares held	CDS account no. of holder

I/We ____________________________________ IC No./Passport No./Company No. ________________
(name of shareholder as per NRIC, in capital letters)
____________________________________ of ____________________________________
____________________________________(full address)
being a member(s) of **MINETECH RESOURCES BERHAD** (575543-X) hereby appoint * THE CHAIRMAN OF THE MEETING or failing him/her

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)
1.			
*And/or (delete as appropriate)			
2.			

as my/our proxy(ies) to vote for me/us on my/our behalf at the Fourteenth Annual General Meeting of the Company to be held at Tioman Room, Bukit Jalil Golf & Country Resort, Berjaya Golf Resort Berhad, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur, Wilayah Persekutuan on Thursday, 25 August 2016 at 10.00 a.m. or at any adjournment thereof.

* *if you wish to appoint other person(s) to be your proxy/proxies, kindly delete the words "the Chairman of the Meeting or failing him/her" and insert the name(s) of the person(s) desired.*

My/our proxy/proxies is/are to vote as indicated below.

Resolutions		For	Against
1. To re-elect Mr Chin Leong Choy who is retiring pursuant to Article 125 of the Company's Articles of Association.	Ordinary Resolution 1		
2. To re-elect Encik Ahmad Ruslan Zahari Bin Zakaria who is retiring pursuant to Article 125 of the Company's Articles of Association.	Ordinary Resolution 2		
3. To re-elect Mr Chan Toong San who is retiring pursuant to Article 130 of the Company's Articles of Association.	Ordinary Resolution 3		
4. To re-elect Mr Chong Jun Heng who is retiring pursuant to Article 130 of the Company's Articles of Association.	Ordinary Resolution 4		
5. To re-appoint Messrs UHY as Auditors of the Company and to authorise the Directors to fix their remuneration.	Ordinary Resolution 5		
6. Authority Under Section 132D of the Companies Act, 1965 for the Directors to Allot and Issue Shares	Ordinary Resolution 6		
7. Proposed Renewal of Authority for the Company to Purchase Its Own Shares	Ordinary Resolution 7		
8. Proposed Amendments to the Articles of Association of the Company	Special Resolution		

(Please indicate with an "X" in the appropriate box against the resolutions on how you wish your proxy to vote. The proxy is to vote on the resolutions set out in the Notice of Meeting as you have indicated. If no specific instruction as to voting is given, this form will be taken to authorise the proxy to vote at his/her discretion.)

____
Signature/Common Seal of Shareholder

Number of shares held: ____________________

Date: ____________________________

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

	No. of shares	Percentage
Proxy 1		%
Proxy 2		%
Total		100%

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote for him but his attendance shall automatically revoke the proxy's authority. A proxy may but need not be a member of the Company. If the proxy is not a member, the proxy need not be an advocate, an approved company auditors or a person approved by the Registrar of Companies.
2. A member may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. The instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Registered Office of the Company at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan at least forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
6. In respect of deposited securities, only members whose names appear on the Record of Depositors on 18 August 2016 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

Personal Data Privacy:
By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 29 July 2016.

Fold this for sealing

Then fold here

STAMP

MINETECH RESOURCES BERHAD (575543-X)

Lot 6.05, Level 6,
KPMG Tower
8 First Avenue
Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan

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MINETECH RESOURCES BERHAD
(Company No:575543-X)

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Jalan Perbandaran, 47301 Petaling Jaya
Selangor Darul Ehsan, Malaysia.
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