ML GLOBAL BERHAD
(Company No.: 589167-W)

ANNUAL REPORT 2015

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CORPORATE INFORMATION

BOARD OF DIRECTORS

DATO' ABDUL MAJIT BIN AHMAD KHAN
Independent Non-Executive Chairman

DATO' BEH HANG KONG
Managing Director

LIM KIM HOE
Executive Director

HENG CHEE WEI *(AMP)*
Independent Non-Executive Director

CHIN SUI YIN
Independent Non-Executive Director

DATUK TAN CHOON HWA *(JMK, JP)*
Independent Non-Executive Director

TAN SRI LIM HOCK SAN *PSM, SSAP, DSSA, JP*
Non-Independent Non-Executive Director

DATUK WIRA LIM HOCK GUAN *DCSM, DMSM, PJK, JP*
Non-Independent Non-Executive Director

COMPANY SECRETARIES

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

AUDIT COMMITTEE

Heng Chee Wei *(AMP)* (Chairman)
Chin Sui Yin
Datuk Tan Choon Hwa *(JMK, JP)*
Tan Sri Lim Hock San *PSM SSAP, DSSA, JP*

NOMINATION COMMITTEE

Dato' Abdul Majit Bin Ahmad Khan (Chairman)
Heng Chee Wei *(AMP)*
Datuk Wira Lim Hock Guan *DCSM, DMSM, PJK, JP*

REMUNERATION COMMITTEE

Dato' Abdul Majit Bin Ahmad Khan (Chairman)
Heng Chee Wei *(AMP)*
Datuk Wira Lim Hock Guan *DCSM, DMSM, PJK, JP*

REGISTERED OFFICE

Suite 10.03, Level 10, The Gardens South Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Tel. No : 03-2279 3080
Fax No : 03-2279 3090

HEAD OFFICE

H01 & H02, Sunway PJ 51A
Jalan SS 9A/19, 47300 Petaling Jaya
Selangor Darul Ehsan
Tel. No : 03-7875 2330
Fax No : 03-7875 2331
Website : www.mlglobal.com.my

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No.8, Jalan Kerinchi
59200 Kuala Lumpur
Tel. No : 03-2783 9299
Fax No : 03-2783 9222

PRINCIPAL BANKERS

AmFunds Management Berhad
CIMB Bank Berhad

AUDITORS

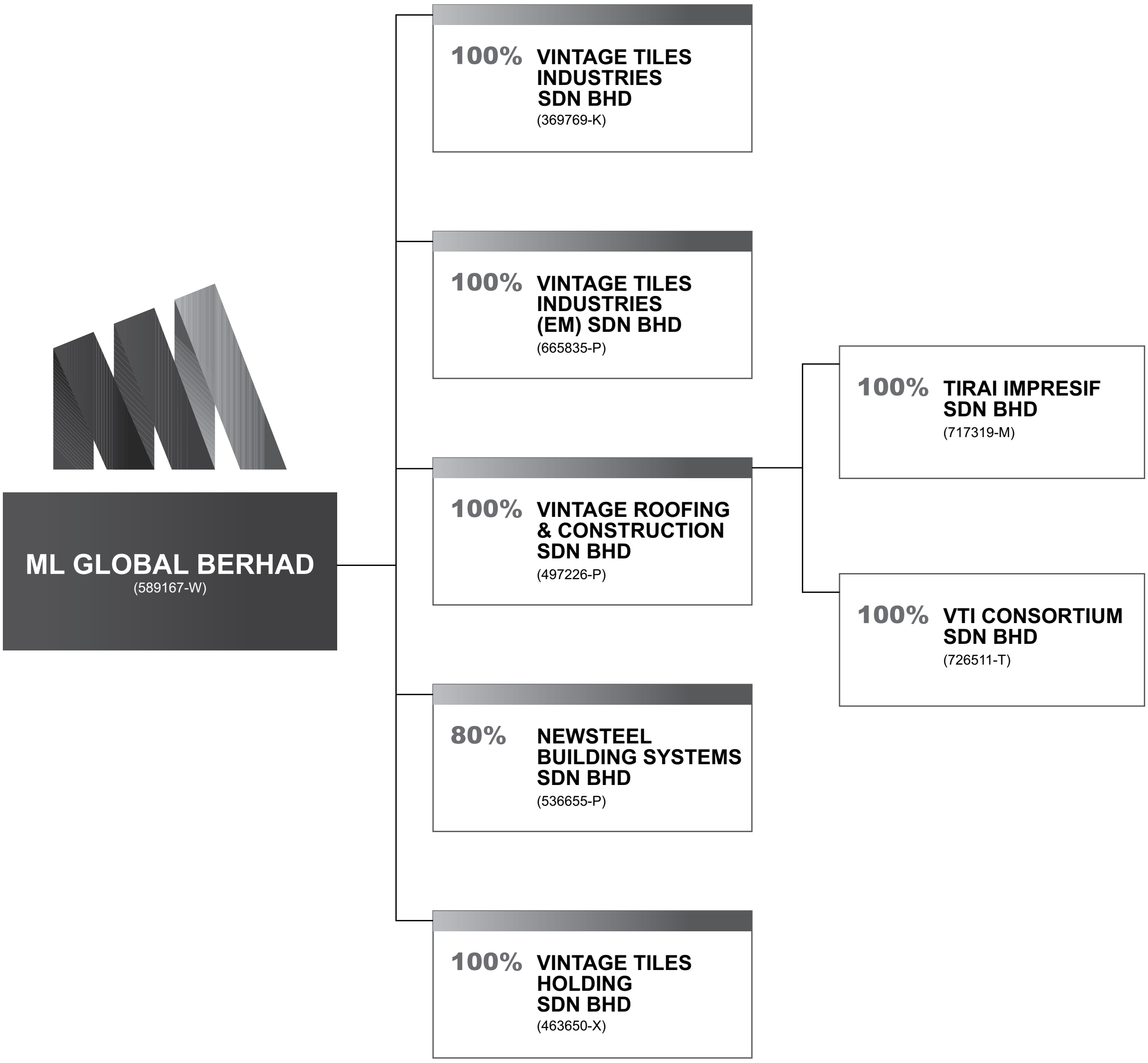
Messrs CHI-LLTC (AF 1114)
No. 61-6C, Jalan SS2/75
47300 Petaling Jaya
Selangor Darul Ehsan
Tel. No : 03-7873 9898
Fax No : 03-7874 8602

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

Stock Name	:	MLGLOBAL
Stock Code	:	7595
Warrant	:	MLGLOBAL-WA
Warrant Code	:	7595WA

CORPORATE STRUCTURE



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fourteenth (14th) Annual General Meeting of ML Global Berhad ("MGB" or "the Company") will be held at Crystal Hall 2, Level 4, Crystal Crown Hotel Petaling Jaya, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan on Friday, 17 June 2016 at 10.00 a.m., for the purpose of transacting the following businesses:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2015 together with the Reports of the Directors and Auditors thereon. *(Ordinary Resolution 1)*

2. To approve the payment of Directors' fees of RM162,000.00 to the non-executive directors of the Company for the financial year ended 31 December 2015. *(Ordinary Resolution 2)*

3. To re-elect Dato' Abdul Majit Bin Ahmad Khan pursuant to Section 129 of the Companies Act, 1965. *(Ordinary Resolution 3)*

4. To re-elect the following persons as Directors of the Company in accordance with Article 90 of the Company's Articles of Association:

   i) Dato' Beh Hang Kong *(Ordinary Resolution 4)*
   ii) Datuk Tan Choon Hwa (JMK, JP) *(Ordinary Resolution 5)*

5. To appoint Messrs UHY as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. *(Ordinary Resolution 6)*

   Notice of Nomination of Auditors pursuant to Section 172 (11) of the Companies Act, 1965 (a copy of which is annexed hereto and marked as "Annexure A") has been received by the Company for the nomination of Messrs UHY for appointment as Auditors of the Company in place of the retiring Auditors, Messrs CHI-LLTC and of the intention to propose the following Ordinary Resolution :

   "THAT Messrs UHY be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Messrs CHI-LLTC and to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration."

   As Special Business:
   To consider and, if thought fit, to pass the following resolution:

6. **Authority To Directors To Allot And Issue Shares** *(Ordinary Resolution 7)*

   "THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to 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 10% of the issued share capital of the Company for the time being, subject always to the approval of all the relevant regulatory bodies having been obtained for such allotment and issue."

7. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")** *(Ordinary Resolution 8)*

"THAT, subject to compliance with all applicable laws, regulations and guidelines, approval be and is hereby given to the Company to enter into Recurrent Related Party Transactions of a revenue or trading nature with related parties as set out in 2.5 of the Circular to Shareholders dated 29 April 2016 for the purposes of Paragraph 10.09, Chapter 10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), subject to the following:

(i) the transactions are necessary for the day to day operations of the Company's subsidiary in the ordinary course of business, at arm's length, on normal commercial terms and are on terms not more favourable to the related party than those generally available to the public and not detrimental to minority shareholders of the Company;

(ii) the mandate is subject to annual renewal. In this respect, any authority conferred by a mandate shall only continue to be in force until:

(a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("CA") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of CA); or

(c) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier.

(iii) disclosure is made in the annual report of the Company of the breakdown of the aggregate value of the Recurrent Related Party Transactions conducted pursuant to the mandate during the current financial year, and in the annual reports for the subsequent financial years during which a shareholder's mandate is in force, where:-

(a) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1.0 million; or

(b) any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%,

whichever is the lower;

NOTICE OF ANNUAL GENERAL MEETING
(cont'd)

and amongst other, based on the following information:

(a) the type of the Recurrent Related Party Transactions made; and

(b) the names of the related parties involved in each type of the Recurrent Related Party Transactions made and their relationships with MGB Group.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

8. To transact any other business of the Company for which due notice shall have been given.

BY ORDER OF THE BOARD

Tan Tong Lang (MAICSA 7045482)
Chong Voon Wah (MAICSA 7055003)
Company Secretaries
Kuala Lumpur
Date: 29 April 2016

NOTES ON APPOINTMENT OF PROXY

1. A member entitled to attend and vote at the general meeting is entitled to appoint up to two (2) proxies to attend and vote in his place. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply.

2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.

3. Where a member of the Company is an exempt authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A(1) of the Central Depositories Act 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 Form of Proxy must be signed by the appoint or his attorney duly authorised in writing or in the case of a corporation, be executed under its common seal or under the hand of its attorney duly authorised in writing.

5. The Form of Proxy or other instruments of appointment must be deposited at Suite 10.03, Level 10, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur at least 48 hours before the time fixed for holding the meeting or any adjournment thereof.

6. For the purpose of determining a member who shall be entitled to attend the Fourteenth (14th) AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 10 June 2016. Only members whose name appears on the Record of Depositors as at 10 June 2016 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

EXPLANATORY NOTES ON SPECIAL BUSINESS

Ordinary Resolution 7: Authority to Directors to Allot and Issue Shares

The Proposed Ordinary Resolution 7, if passed, is a renewal of General Mandate to empower the Directors to issue and allot shares up to an amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company at a General Meeting, will expire at the next Annual General Meeting.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s) workings capital and/or acquisitions.

As at the date of this Notice, no new shares in the Company were issued pursuant to the General Mandate granted to the Directors at the Thirteenth (13th) Annual General Meeting held on 27 May 2015 and which will lapse at the conclusion of the Fourteenth (14th) Annual General Meeting.

Ordinary Resolution 8: Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Proposed Ordinary Resolution 8, if passed, will enable the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries, subject to the transactions being carried out in the ordinary course of business of the Company and/or its subsidiaries and on normal commercial terms which are generally available to the public and not detrimental to the minority shareholders of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next annual general meeting of the Company.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

The Directors who are standing for re-election at the Fourteenth (14th) Annual General Meeting of the Company are :

i)	Dato' Abdul Majit Bin Ahmad Khan	Section 129 of the Companies Act, 1965	(Ordinary Resolution 3)
ii)	Dato' Beh Hang Kong	Article 90	(Ordinary Resolution 4)
iii)	Datuk Tan Choon Hwa *(JMK, JP)*	Article 90	(Ordinary Resolution 5)

The profile of the Directors standing for re-election for Ordinary Resolutions 3 to 5 is set out on pages 9 to 12 of the Annual Report 2015. The shareholdings of the abovenamed Directors in the Company is disclosed on page 105 of the aforesaid Annual Report.

The details of the Directors' attendance for Board Meetings are disclosed in the Statement on Corporate Governance on page 21 of the Annual Report 2015.

The Fourteenth (14th) Annual General Meeting of the Company will be held at Crystal Hall 2, Level 4, Crystal Crown Hotel Petaling Jaya, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan on Friday, 17 June 2016 at 10.00 a.m.

ANNEXURE A

LBS BINA GROUP BERHAD
Plaza Seri Setia, Level 1-4
No. 1, Jalan SS9/2
47300 Petaling Jaya
Selangor Darul Ehsan

Date: 24 March 2016

The Board of Directors
ML GLOBAL BERHAD
Suite 10.03, Level 10
The Gardens South Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur

Dear Sirs

NOTICE OF NOMINATION OF AUDITORS

We, the undersigned, being a shareholder of ML Global Berhad, hereby give notice pursuant to Section 172(11) of the Companies Act, 1965 of my intention to nominate Messrs UHY, for appointment as Auditors of the Company in place of the retiring Auditors, Messrs CHI-LLTC.

Therefore, we propose that the following ordinary resolution be considered at the forthcoming Annual General Meeting of the Company :

"THAT Messrs UHY be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Messrs CHI-LLTC and to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration."

Yours faithfully,

LBS BINA GROUP BERHAD
Shareholder

PROFILE OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

DATO' ABDUL MAJIT BIN AHMAD KHAN

A Malaysian, aged 70, was appointed to the Board of as Independent Non-Executive Chairman of the Company on 1 August 2014. He is the Chairman of the Nomination Committee and Remuneration Committee of the Company.

Dato' Abdul Majit holds a Bachelor of Economics (Honours) from Universiti Malaya. He served with the government for thirty four (34) years and held various positions in the Prime
Minister's Department and the Ministry of Foreign Affairs of Malaysia. His positions provided him with wide exposures in various countries that he served at, such as Laos, Vietnam, USA, Nigeria, Ghana, Cote de Ivoire, Sierra Leone and Cameroon, the Democratic People's Republic of Korea and the People's Republic of China.

In his capacity as the Under Secretary of West Asia and the OIC, he participated in several Ministerial and prime Ministerial visits to West Asian Countries and OIC Meetings. He was the Director General of the Association of Southeast Asian Nations ("ASEAN") Division of the Ministry of Foreign Affairs, from 1996 until 1998. As Director General of ASEAN Division, he actively participated in the organisation of the 30th ASEAN Ministerial Meeting held in Kuala Lumpur as well as the ASEAN Heads of Summit and the 10+3 Summit Meetings in Malaysia.

In 1998, Dato' Abdul Majit was appointed as the Ambassador of Malaysia to the People's Republic of China until his retirement on 2 January 2005.

Currently, he is a Director of Hong Leong Asset Management Berhad, Hong Leong Islamic Bank Berhad, Zecon Berhad, OSK Holdings Berhad and Dutaland Berhad.

He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted for any offences within the past 10 years other than traffic offence, if any.

DATO' BEH HANG KONG

A Malaysian, aged 59, was appointed to the Board as the Managing Director on 16 January 2008. He started his career in 1980 as a reporter with China Press Berhad. In 1982, he was employed as a Regional Executive Secretary by the Malaysian Chinese Association. He left this position in 1985 to establish a company involved in the marketing of office equipment before he extensively invest into property investments and development.

From 1986 – 1990, he served as Municipal Councillor for the Majlis Perbandaran Shah Alam. Currently, apart from been the Managing Director of ML Global Berhad, He is also Executive Director of Yong Tai Berhad, another listed entity and the Deputy Board Chairman of China-Malaysia Qinzhou Industrial Park (CMQIP) in Qinzhou, Quangxi, People's Republic of China and directors of several other private limited companies.

On the NGO side, he is a director of Malaysia-China Business Council (MCBC), Deputy Chairman of Malaysia-Guangdong Chamber of Investment and Promotion (MGCIP).

He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted for any offences within the past 10 years other than traffic offence, if any.

PROFILE OF DIRECTORS AND CHIEF EXECUTIVE OFFICER
(cont'd)

LIM KIM HOE

A Malaysian, aged 31, was appointed to the Board as Executive Director of the Company on 1 August 2014.

He graduated with an Honour Degree in Bachelor of Engineering (CIVIL) from the University OF Melbourne, Australia. After graduation, he began his career with a listed property developer where he accumulated wealth of experience in business development, project planning & design. He later joined a construction company as Executive Director where he continues to extend his experience in the field of property development and construction.

He is a member of the Yayasan Ang Koai Selangor, the Lim Association Selangor, the Persatuan Hokkien Seri Setia as well as other charitable and non-profit-making organisations.

He is the son of Tan Sri Lim Hock San PSM, SSAP, DSSA, JP, a Non-Independent Non-Executive Director, who is also deemed as a Major Shareholder of the Company pursuant to Section 6A of the Companies Act, 1965. He has no conflict of interest with the Company and has not been convicted for any offences within the past 10 years other than traffic offence, if any.

HENG CHEE WEI *(AMP)*

A Malaysian, aged 45, was appointed as an Independent Non-Executive Director on 1 August 2014. He is the Chairman of the Audit Committee and a member of Nomination Committee and Remuneration Committee of the Company.

He is currently the Executive Director and Group Chief Executive Officer of Ralco Corporation Berhad, a public listed company with Malaysia's Main Market. He was formerly a Director of TNT Express Worldwide for Malaysia and Brunei market. He has accumulated 15 years of Board's experience as an Independent Director with Ralco Corporation Berhad before taking up the Executive position in July 2014.

He is a member of the Malaysia Institute of Accountants (MIA) and Australian Society of Certified Practising Accountants (ASCPA). He has more than 20 years of diverse corporate experiences including auditing experience with PriceWaterhouseCoopers, leading the operations of a few international well-known express and logistic companies like FedEx, DHL and TNT, and has successfully turnaround, enhance efficiency leading the companies to greater growth and profitability.

He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted for any offences within the past 10 years other than traffic offence, if any.

CHIN SUI YIN

A Malaysian, aged 54, was appointed as an Executive Director of the Company on 28 November 2007 and re-designated as Non-Independent Non-Executive Director on 9 May 2008. Subsequently on 14 September 2012, he was re-designated as Independent Non-Executive Director. He is a member of Audit Committee of the Company.

He is an Accountant by profession, a fellow member of the Association of Chartered Certified Accountants (ACCA), United Kingdom and a member of Malaysian Institute of Accountants (MIA). He started his career with an international accounting firm KPMG in 1983, handling various audit and non-audit assignments of companies involved in a wide range of business activities. He moved on to commercial sector in 1989 and had held various positions in local conglomerate, stock exchange and financial institutions. He was a member of audit committee and risk management committee in a local leading financial institution.

He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted for any offences within the past 10 years other than traffic offence, if any.

PROFILE OF DIRECTORS AND CHIEF EXECUTIVE OFFICER (cont'd)

DATUK TAN CHOON HWA *(JMK, JP)*

A Malaysian, aged 59, was appointed as an Independent Non-Executive Director on 27 July 2009. He is a member of Audit Committee of the Company.

He is a businessman with twenty (20) years of experiences in various industries such as timber, mining, hotel resort, housing, land development and finance investment holding. He is the Executive Chairman of TCH Group and holds directorships in Wazlian Group. He also holds other chairmanship in several associations, President Malaysia – China Chamber of Commerce (Kelantan Branch) and Centre Committee, Vice President Malaysia Volleyball Association and Advisor Malaysia Chinese Business Association. He also sits on the board of directors of Metronic Global Berhad, Ni Hsin Resources Berhad and Len Cheong Holding Berhad.

He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted for any offences within the past 10 years other than traffic offence, if any.

TAN SRI LIM HOCK SAN *PSM, SSAP, DSSA, JP*

A Malaysian, aged 58, was appointed as the Non-Independent Non-Executive Director of the Company on 1 August 2014. He is a member of the Audit Committee of the Company.

After graduating with First Class Honours in Civil Engineering from the University of Wales, United Kingdom in 1982, Tan Sri Lim joined LBS and later, became the Managing Director after a decade of working experience. On 6 December 2001, he was appointed the Managing Director of LBS Bina Group Berhad ("LBGB").

Tan Sri Lim's excellent business foresights, technical expertise and 33 years of management experience have well positioned him as the Key Leader. Under his leadership, LBGB and its subsidiaries ("LBGB Group") have grown and developed as one of the major players in the property development.

In addition to winning the second prize in the British Steel Corporation Competition for Design in Hollow Steel Section in 1982, Tan Sri Lim was the recipient of the inaugural Platinum Entrepreneur Award by SMI Association of Malaysia in 2011, the prestigious Entrepreneur of the Year 2012 by Asia Pacific Entrepreneurship Awards (APEA) and Malaysia Best Company for Leadership of the Year 2014 by International Alternative Investment Review (IAIR) Awards for his outstanding entrepreneurship, leadership and achievements in raising the profile of the Company in the country and abroad.

Being an active advocate of social and community works, Tan Sri Lim sits on the board of the following charitable organizations:-

1. Chairman of the Board of Governors of SMJK Katholik
2. Chairman of the Board of Governors of SJK (C) Sungai Way
3. President of The Federation of Malaysia Lim Associations
4. President of Gabungan Persatuan Cina Petaling Jaya, Selangor
5. President of Wushu Federation of Federal Territory Kuala Lumpur
6. President of Malaysia-Guangdong Chamber of Investment Promotion
7. President of Malaysia Chamber of Commerce In China-Guangdong
8. Vice President of the Ann Khoe Association, Selangor & Wilayah Persekutuan
9. Vice President of Fujian Overseas Exchanges Association Fifth Council
10. Honorary Chairman of Rumah Berhala Leng Eng Tian
11. Honorary President of Catholic High School Alumni Association
12. Honorary President of Persatuan Penganut Tho Guan Sen
13. Committee of China Federation Ninth Plenary Session
14. Committee of China Chamber of International Commerce
15. Committee of Fujian Provincial Federation
16. Committee of Zhuhai Municipal People's Political Consultative Conference (Zhuhai CPPCC), China.

He is the father of Lim Kim Hoe, an Executive Director of the Company and brother of Datuk Wira Lim Hock Guan, DCSM, DMSM, PJK, JP, a Non-Independent Non-Executive Director, who is also deemed as a Major Shareholder of the Company pursuant to Section 6A of the Companies Act, 1965. He has no conflict of interest with the Company other than those disclosed in the Company's Circular to Shareholders dated 29 April 2016 and has not been convicted for any offences within the past 10 years other than traffic offence, if any.

DATUK WIRA LIM HOCK GUAN, *DCSM, DMSM, PJK, JP*

A Malaysian, aged 55, was appointed as the Non-Independent Non-Executive Director of the Company on 1 August 2014. He is a member of the Nomination Committee and Remuneration Committee of the Company.

Datuk Wira Lim Hock Guan was appointed as Executive Director of LBGB on 6 December 2001. He holds a B.Sc. Civil Engineering from the Tennessee Technology University, USA. He started his career as a Civil Engineer upon his graduation.

Datuk Wira Lim Hock Guan has more than 20 years of extensive experience in the field of property development and construction. He is in charge of the Group's projects in Klang Valley and he is one of the major driving forces behind the LBGB Group's successful implementation of the projects in the Klang Valley.

Datuk Wira Lim Hock Guan sits on the Board of several subsidiary companies of the LBGB Group. He is member of Risk Management Committee and ESOS Committee in LBGB. He also sits on the Board of Zhuhai Holdings Investment Group Limited, a company listed on the Main Board of Hong Kong Stock Exchange, as Non-Executive Director.

He is also active in community works and has involved in several non-profit-making organisations. He is the Chairman of Persatuan Hokkien Sungai Way, President of Selangor Petaling Business & Industry Association, Vice President of Malaysia-Guangdong Chamber of Investment Promotion and the Vice President of The Malaysian Chamber of Commerce in Guangdong, China. He is also a qualified sharpshooter from National Riffle Association, Washington D.C.

He is a brother of Tan Sri Lim Hock San, PSM, SSAP, DSSA, JP, a Non-Independent Non-Executive Director, who is also deemed as a Major Shareholder of the Company pursuant to Section 6A of the Companies Act, 1965. He has no conflict of interest with the Company other than those disclosed in the Company's Circular to Shareholders dated 29 April 2016 and has not been convicted for any offences within the past 10 years other than traffic offence, if any.

CHEW WEE SEONG

A Malaysian, aged 46, was appointed as Chief Executive Officer ("CEO') of the Company on 1 August 2014.

He is a Bachelor of Finance graduate of St. Cloud State University in the United States. He is also a MBA graduate from the prestigious Cardiff Metropolitan University in Cardiff, United Kingdom.

He was served as Head of Credit Administration Department with a leading local bank. For more than five years of working experience in the banking industry, he gained extensive experience including credit processing, marketing, credit control and review, security and risk management and consumer banking operations. His previous experience also provided him with training in marketing, financial management and planning skills.

He joined LBGB Group in August 2000. Over the years with the Company, he has held several portfolios including customer service, maintenance, sales and marketing, credit administration and property management. Prior to his appointment as CEO of the Company, he was responsible for the credit administration and property management for projects of LBGB Group.

He has no relationship with any other Directors or Major Shareholder of the Company, no conflict of interest with the Company and has not been convicted for any offences within the past 10 years other than traffic offence, if any.

GROUP FINANCIAL HIGHLIGHTS

FINANCIAL YEAR PERIOD		FYE 31 December 2011 RM'000	FYE 31 December 2012 RM'000	FYE 31 December 2013 RM'000	FYE 31 December 2014 RM'000	FYE 31 December 2015 RM'000
Revenue		34,731	22,348	9,921	8,460	37,026
Profit / (Loss) before taxation		174	(1,773)	(2,633)	1,370	7,077
Profit / (Loss) after taxation		174	(1,773)	(2,734)	118	10,174
Profit / (Loss) attributable to owners of the Company		174	(1,773)	(2,734)	118	10,174
Issued share capital		97,486	97,486	97,486	44,817	44,817
Shareholders' funds		(10,579)	(12,352)	(15,085)	20,101	30,275
Total Assets		54,632	62,326	44,497	51,789	65,089
Earnings Per Share						
- Basic	Sen	0.18	(1.82)	(2.80)	0.13	11.35
- Diluted	Sen	Not applicable	Not applicable	Not applicable	0.10	8.74
Net assets per share	RM	(0.11)	(0.13)	(0.15)	0.22	0.34
Return on total assets		0.32%	(2.84%)	(6.14%)	0.23%	15.63%
Return on equity		(1.65%)	14.35%	18.12%	0.59%	33.60%
Gearing (Borrowings/equity)		(237.32%)	(203.34%)	(155.13%)	108.51%	56.09%

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of ML Global Berhad ("ML Global" or "the Company"), I am pleased to present to you the Annual Report and the audited financial statements of the Company and its subsidiary companies ("Group") for the financial year ended ("FYE") 31 December 2015.

DATO' ABDUL MAJIT BIN AHMAD KHAN
Independent Non-Executive Chairman

INDUSTRIES AND MARKET REVIEW

In 2015, Malaysia economy was further slowdown in view of the weakening in Ringgit exchange rate, significant fall in oil prices and implementation of GST. Fortunately, GDP exceptionally growth steady at 5.0% driven by the private sector, both consumption and investment. The figure was within the government's and central bank's target of GDP between 4.5 percent to 5.5 percent.

According to the central bank, the construction sector grew at a moderate pace of 8.2% in 2015, due mainly to the slower growth in the residential sub-sector. The manufacturing sector expanded by 4.9% in 2015, attributable mainly to the continued strength of the export-oriented industries.

Moving forward, Malaysia's GDP is projected to grow at a slower pace between 4.0% and 4.4% in 2016 by central bank. This will continue challenge the operating environment in the immediate future. Growth remained focused on domestic demand especially in the key sectors such as construction, mining, agricultural, manufacturing and services.

REVIEW OF BUSINESS PERFORMANCE

The key milestone for ML Global in 2015, is that the Group has recorded a remarkable net profit of RM10.2 million compared to RM0.118 million in FYE 2014. It was mainly due to profit generated from the construction projects including Sinaran Mahkota, Bandar Indera Mahkota in Kuantan.

Bursa Malaysia Securities Berhad ("Bursa Securities") has uplifted the Group from Practice Note 17 (PN17) on 11 March 2016 after the Group had recorded two consecutive quarterly profits in 2015.

CORPORATE DEVELOPMENTS

As announced in the website of Bursa Securities on 10 March 2016, the Group had regularised the financial condition and level of operations and no longer triggers any of the criteria under Paragraph 2.1 of Practice Note 17 (PN17) of the Main Market Listing Requirements of Bursa Securities. Bursa Securities had officially uplifted the Group from being classified as PN17 on 11 March 2016.

FUTURE OUTLOOK

The effects of lower oil prices, weakening Ringgit and the implementation of a 6% goods and services tax have yet to filter through to the economy. Therefore, industry growth for 2016 will be constrained over the short term.

As such, it will be a challenge year for the Group. The Group predicts the sales of roof tiles will be more challenging from the shortfall in volume commitment by our OEM partner and the appointed exclusive distributor.

The performance of the Group have been depending on the construction projects. Beside arm length projects from the principal shareholders, the Group is sufficiently capable to undertake projects on its own from third parties. We expect sustainable income revenue and profit from construction activities in 2016.

ACKNOWLEDGEMENT

On behalf of the Board, I wish to express our deepest appreciation to our shareholders, customers, suppliers, distributors, business partners, bankers and associates for their continual trust and support for the Group. Meanwhile, the Board and I would like to extend our deepest appreciation to our management and staff of the Group for all their dedication and commitment.

Dato' Abdul Majit bin Ahmad Khan
Independent Non-Executive Chairman

CORPORATE SUSTAINABILITY STATEMENT

OUR COMMITMENT

We perceived corporate sustainability as our commitment to create long term value for our shareholders, environment and society through innovation and overall operational excellence. We understand our choices today have an impact on our customers and suppliers and the success of their businesses in the future. Our business imperative is to carry out our activities responsibly and with integrity. Our people are expected to behave in an honest and ethical manner in accordance with our policies, business rules and guidelines.

Mindful of the need to be a corporately responsible organisation, the Group undertook various steps to play its part in contributing to the welfare of the society and communities in the environment it operates. The Group recognises that for long term sustainability, its strategic orientation will need to look beyond the financial parameters. Hence, the Group supports important causes such as donation to the needy, community services, promoting a healthy and safety culture within the organisation.

OUR CORPORATE SUSTAINABILITY COMMITMENT

Within this context, we have defined our commitment to Corporate Sustainability across five impact areas:

WORK ENVIRONMENT

As employees are viewed as internal customers, ML Global ensures that the workplace remains conducive, which helps to balance the needs and desires of each employee with the needs and capacity of the business. We continue to place high emphasis on health and safety issues at our work sites. Necessary tools and protective gears are provided to our employees to ensure that they are adequately protected. We also enforce stringent compliance requirements so that health and safety issues are not compromise.

TRAINING AND DEVELOPMENT

ML Global also ensures that all staffs are well trained and that is a continuously learning organisation. The Group strives to bring out the best of its employees by providing growth and progression opportunities for employees through comprehensive trainings, health and safety programmes.

MARKETPLACE

ML Global is committed to maintain a proper framework to ensure that the business is run in an efficient and transparent manner in the interest of all its stakeholders. Ensuring that the business is conducted in a fair, transparent, sustainable and professional manner, ML Global is focused on delivering products of quality and being customer focused.

CORPORATE SUSTAINABILITY STATEMENT (cont'd)

ENVIRONMENTAL

ML Global has taken steps to manage its environmental impact in 2015. The Group is work very closely with environment enforcement agency with periodic consultation arrangements and visits so that our manufacturing activities are always in line with environmental standards and legislation. Also, we have successfully developed "Eco Friendly" roofing tiles, and have obtained certification from SIRIM.

We continuously encourage employees to recycle and/or reduce wastage on the consumption of raw materials so that waste disposals are kept to the minimum. We also incorporate changes to our manufacturing process to allow the usage of environmental friendly materials.

COMMUNITY

As an organisation with its business deeply rooted in the community that it serves, ML Global has been consistently aware of its social obligations to the community and remains fully committed to this cause. ML Global feels privileged to have been able to support communities in need and make a difference in their lives. During the year under the review, the Group has initiated several activities through contributions and donations to various charity foundations.

MOVING FORWARD

We are committed to promote good corporate governance standards and building sustainability.

STATEMENT ON CORPORATE GOVERNANCE

The Board is committed to ensure that a high standard of corporate governance is practised throughout the Company and its subsidiaries ("the Group") in discharging its responsibilities with integrity, transparency and professionalism, to protect and enhance shareholders' value and the financial position of the Group.

The Board recognises the importance of good corporate governance and fully supports the principles and best practices promulgated in the Malaysian Code on Corporate Governance ("MCCG") to enhance business prosperity and maximise shareholders' value. The Board will continuously evaluate the Group's corporate governance practices and procedures, and where appropriate will adopt and implement the best practices as enshrined in the MCCG to the best interest of the shareholders of the Company.

Below is a statement and description in general on how the Group has applied the principles and complied with the best practice provisions as laid out in the MCCG throughout the financial year ended 31 December 2015 pursuant to Paragraph 15.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements").

A. BOARD OF DIRECTORS

Composition and Balance

The Board of Directors of the Company consists of eight (8) members, comprising an Independent Non-Executive Chairman, a Managing Director, one (1) Executive Director, three (3) Independent Non-Executive Directors and two (2) Non-Independent Non-Executive Directors. Collectively, the Board members bring a balance of skills and experience appropriate to the business owing to their diverse backgrounds in the business, financial, political and commercial sectors. A brief description of the background of each Board member is presented on pages 9 to 12 of the Annual Report.

The Company has a clear distinction and separation of roles between the Chairman and the Managing Director, with clear division of responsibilities. The Chairman is primarily responsible in leading and guiding the Board, and also serves as the communication point between the Board and the Managing Director whilst the Managing Director and his management team is responsible for implementing the plans chartered out and the day to day management of the Group, with clear authority delegated by the Board.

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

The Board has yet to identify a Senior Independent Non-Executive Director to whom concerns may be conveyed by shareholders and the general public. However, the Chairman of the Board encourages the active participation of each and every Board member in the decision making process.

The Board acknowledges the importance of boardroom diversity and is supportive of the recommendation of MCCG to the establishment of boardroom and workforce gender diversity policy. However, the Group does not adopt any formal gender diversity policy in the selection of new Board candidates and does not have specific policies on setting target for female candidates in the workforce. The evaluation of the suitability of candidates as the new Board member or as a member of the workforce is based on the candidates' competency, skills, character, time commitment, knowledge, experience and other qualities in meeting the needs of the Group, regardless of gender. The Group is an equal opportunity employer and does not practise discrimination of any form, whether based on age, gender, race and religion, throughout the organisation. Nevertheless, for any new proposed appointment of directors of the Company in future, the Board will evaluate and match the criteria of the potential candidate to the Board as well considering the boardroom diversity.

A. BOARD OF DIRECTORS (CONT'D)

Board's Responsibilities

The Board retains full and effective control of the Group and has developed corporate objectives and position descriptions including the limits to management's responsibilities, which the management are aware and are responsible for meeting.

The Board has a formal schedule of matters reserved to itself for decision, which includes the overall Group strategy and direction, investment policy, major capital expenditures, consideration of significant financial matters and review of the financial and operating performance of the Group.

The Board understands the principal risks of all aspects of the business that the Group is engaged in recognising that business decisions require the incurrence of risk. To achieve a proper balance between risks incurred and potential returns to shareholders, the Board ensures that there are in place systems that effectively monitor and manage these risks with a view to the long term viability of the Group.

The Board had delegated to the Managing Director and his management team the day to day management of the Group.

The Independent Non-Executive Directors of the Company play a key role in providing unbiased and independent views, advice and contributing their knowledge and experience toward the formulation of policies and in the decision making process. The Board structure ensures that no individual or group of individuals dominates the Board's decision-making process. Although all the Directors have equal responsibility for the Company and the Group's operations, the role of the Independent Directors are particularly important in ensuring that the strategies proposed by the Executive Directors are deliberated on and have taken into account the interest, not only of the Company, but also that of the shareholders, employees, customers, suppliers and the community.

In discharging its fiduciary duties, the Board has delegated specific tasks to three (3) Board Committees namely the Audit Committee, Nomination Committee and Remuneration Committee. All the Board Committees have its own terms of reference and has the authority to act on behalf of the Board within the authority as lay out in the terms of reference and to report to the Board with the necessary recommendation.

Code of Conduct and Ethics

A Code of Conducts and Ethics, setting out the standards of conduct expected from Directors and all employees of the Group has been formalised. The Code of Conduct and Ethics summarises what the Company must endeavour to do proactively in order to increase corporate value, and which describes the areas in daily activities that require caution in order to minimise any risks that may occur and also provides guidance for Directors regarding ethical and behavioural considerations and/or actions as they address their duties and obligations during the appointment.

The Board will review the Code of Conduct and Ethics when necessary to ensure it remains relevant and appropriate. The details of the Code of Ethics and Conduct are available for reference at the Company's website at www.mlglobal.com.my.

Board Charter

As part of governance process, the Board has formalised and adopted the Board Charter. This Board Charter sets out the composition and balance, roles and responsibilities, operation and processes of the Board and is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members. The Board will periodically review the Board Charter and make any changes whenever necessary.

The details of the Board Charter are available for reference at the Company's website at www.mlglobal.com.my.

A. BOARD OF DIRECTORS (CONT'D)

Promote Sustainability

The Board ensures that the Company's strategies promote sustainability with attention given particularly to environmental, social and governance ("ESG") aspects of business which underpin sustainability. The Board understands that balancing ESG aspects with the interests of various stakeholders is essential to enhancing investor perception and public trust.

The Board is committed to the continuous efforts in maintaining a delicate balance between its sustainability agenda and other stakeholders' interest. The details of the sustainability efforts are set out in the "Corporate Sustainability Statement" of this Annual Report.

Whistle-blowing Policy

The Company is in the midst of preparing its Whistle-blowing Policy, with the aim to provide an avenue for raising concerns related to possible breach of business conduct, non-compliance of laws and regulatory requirements as well as other malpractices. The Board undertake to develop the said policy and upload the same on the Company's website in due course.

Supply of Information

Unless otherwise agreed, the Board papers comprising of due notice of issues to be discussed and supporting information and documentations were provided to the Board at least seven (7) days before the date of the meeting. The deliberations of the Board in terms of the issues discussed during the meetings and the Board's conclusions in discharging its duties and responsibilities are recorded in the minutes of meetings.

The Board has access to all information within the Company as a full Board to enable them to discharge their duties and responsibilities and is supplied in a timely basis with information and reports on financial, regulatory and audit matters by way of Board papers for informed decision making and meaningful discharge of its duties.

To fulfill the responsibilities as set out above, all Directors have direct access to the advice and services of the Company Secretary who is responsible for ensuring the Board's meeting procedures are adhered to and that applicable rules and regularisations are complied with. External advisers are invited to attend meetings to provide insights and professional views, advice and explanation on specific items on the meeting agenda, when required. Senior management team from different business units are also invited to participate at the Board meetings to enable all Board members to have equal access to the latest updates and developments of business operations of the Group presented by the senior management team.

When necessary, Directors may whether as a full Board or in their individual capacity, seek independent professional advice, including the internal and external auditors, at the Company's expense to enable the directors to discharge their duties with adequate knowledge on the matters being deliberated. The Directors may consult the Chairman or other Board members prior to seeking any independent professional advice.

A. BOARD OF DIRECTORS (CONT'D)

Company Secretaries

The Board is supported by qualified and competent Company Secretaries who are responsible for ensuring that the Company's Memorandum and Articles of Association, procedures and policies and regulations are complied with. The Board is regularly updated and advised by the Company Secretaries on any new statutory and regulatory requirements in relation to their duties and responsibilities. The Board recognises that the Company Secretaries is suitably qualified and capable of carrying out the duties required. The Board is satisfied with the service and support rendered by the Company Secretaries in discharge of their functions.

The Company Secretaries attend all Board and all Board Committees 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.

Board Meetings

At least four (4) board meetings are scheduled to be held annually, with additional meetings to be held, as and when required. During the financial year ended 31 December 2015, the Board met Six (6) times. The details of attendance of each Board member are set out below :

Name of Director	**No. of meetings attended**
Dato' Abdul Majit Bin Ahmad Khan	6/6
Dato' Beh Hang Kong	5/6
Lim Kim Hoe	6/6
Heng Chee Wei *(AMP)*	6/6
Datuk Tan Choon Hwa *(JMK, JP)*	6/6
Chin Sui Yin	6/6
Tan Sri Lim Hock San *PSM, SSAP, DSSA, JP*	5/6
Datuk Wira Lim Hock Guan *DCSM, DMSM, PJK, JP*	5/6

The Board is satisfied with the level of time commitment given by the Directors of the Company towards fulfilling their duties and responsibilities. This is evidenced by the attendance record of the Directors as set out herein above.

All the Directors are required to devote sufficient time and efforts to carry out their responsibilities. Each Director is expected to commit time as and when required to discharge the relevant duties and responsibilities, besides attending meetings of the Board and Board Committees.

Each Board member is expected to achieve at least fifty percent (50%) attendance of total Board meetings in any applicable financial year with appropriate leave of absence be notified to the Chairman and/or Company Secretaries, where applicable.

Notwithstanding that no specific quantum of time has been fixed, all the Board members are required to notify the Board before accepting any new directorship. Any Director is, while holding office, at liberty to accept other Board appointment in other companies so long as the appointment is not in conflict with the Company's business and does not affect the discharge of his/her duty as a Director of the Company. To ensure the Directors have the time to focus and fulfill their roles and responsibilities effectively, one (1) criterion as agreed by the Board is that they must not hold directorships at more than five (5) public listed companies (as prescribed in Paragraph 15.06 of Listing Requirements).

A. BOARD OF DIRECTORS (CONT'D)

Nomination Committee

As recommended by the MCCG, the Company has established the Nomination Committee comprising exclusively of Non-Executive Directors, with the responsibilities of assessing the balance composition of Board members, nominate the proposed Board member by looking into his skills and expertise for contribution to the Company on an ongoing basis. The appointment of new Directors is the responsibility of the full Board after considering the recommendations of the Nomination Committee. The Nomination Committee is aware of their duties and responsibilities. As a whole, the Company maintains a very lean number of Board members.

The present members of the Nomination Committee are:

Chairman	-	Dato' Abdul Majit Bin Ahmad Khan (Independent Non-Executive Chairman)
Members	-	Heng Chee Wei *(AMP)* (Independent Non-Executive Director) Datuk Wira Lim Hock Guan *DCSM, DMSM, PJK, JP* (Non-Independent Non-Executive Director)

The Nomination Committee shall meet at least once a year unless otherwise determine by the Nomination Committee. The Quorum for meeting and/or for the sanction and endorsement of approvals in writing shall be at least two (2) members, of which at least one (1) shall be an independent director.

The Board has stipulated specific Terms of Reference for the Nomination Committee, which covers following salient functions:

(i) assessing and recommending to the Board the candidature of directors, appointment of directors to board committees;
(ii) reviewing of Board's succession plans and training programmes for the Board;
(iii) undertaking the assessment of the Board, board committees and individual directors on an on-going basis; and
(iv) undertaking annual assessment of the independence of independent directors in the Board beyond the independent director's background, economic and family relationships but considering they can continue to bring independent and objective judgment to Board deliberations.

The Nomination Committee would conduct an assessment on the performance of the Board, as a whole, based on a self-assessment approach. From the results of the assessment, including the mix of skills and experience possessed by Directors, the Board considers and approves recommendations by the Nomination Committee on the re-election and re-appointment of Directors at the Company's forthcoming annual general meeting. The Nomination Committee is satisfied with the current size of the Board, and with the mix of qualifications, skills & experience among the Board members.

Generally, the Board adopts a flexible approach when selecting and appointing new directors depending upon the circumstances and timing of the appointment. The Nomination Committee will help assess and recommend to the Board, the candidature of directors, appointment of directors to board committees, review of Board's succession plans and training programmes for the Board.

A. BOARD OF DIRECTORS (CONT'D)

Nomination Committee (Cont'd)

In general, the process for the appointment of director to the Board is as follows:

(i) the Nomination Committee reviews the Board's composition through Board assessment/evaluation;
(ii) the Nomination Committee determines skills matrix;
(iii) the Nomination Committee evaluates and matches the criteria of the candidates, and will consider diversity, including gender, where appropriate;
(iv) the Nomination Committee recommends to the Board for appointment; and
(v) the Board approves the appointment of the candidates.

Factors considered by the Nomination Committee when recommending a person for appointment as a director include:

(i) the merits and time commitment required for a Non-Executive Director to effectively discharge his or her duties to the Company;
(ii) the outside commitments of a candidate to be appointed or elected as a Non-Executive Director and the need for that person to acknowledge that they have sufficient time to effectively discharge their duties; and
(iii) the extent to which the appointee is likely to work constructively with the existing directors and contribute to the overall effectiveness of the Board.

Re-election and Re-appointment of Directors

In accordance with the Company's Articles of Association, at least one-third of the Directors shall retire by rotation at each Annual General Meeting ("AGM"). All Directors are subject to retire from office at least once in every three years. Retiring Directors may offer themselves for re-election at the AGM.

Any Director appointed during the year is required to retire and seek re-election by shareholders at the first AGM following his appointment. Directors over seventy (70) years of age are required to submit themselves for re-appointment annually in accordance with Section 129 (6) of the Companies Act, 1965 ("the Act").

Reinforce Independence

The Non-Executive Directors are not employees of the Group and do not participate in the day-to-day management of the Group. The majorities of Non-Executive Directors of the Company are independent directors and are able to express their views without any constraint. This strengthens the Board which benefits from the independent views expressed before any decisions are taken. The Nomination Committee has reviewed the performance of the independent directors and is satisfied that they have been able to discharge their responsibilities in an independent manner.

As recommended by the MCCG, the tenure of an independent director should not exceed cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the Board subject to the director's re-designation as a non-independent director. In the event the Board intends to retain such Director as Independent Director after the letter has served a cumulative term of nine (9) years, the Board must justify the decision and seek shareholders' approval at a general meeting, normally the annual general meeting of the Company.

As at the date of this statement, none of the independent directors had served the Company for more than nine (9) years as per the recommendations of MCCG.

STATEMENT ON CORPORATE GOVERNANCE
(cont'd)

A. BOARD OF DIRECTORS (CONT'D)

Directors' Training

All the Directors have undergone the Mandatory Accreditation Program ("MAP") prescribed by Bursa Malaysia Securities Berhad ("Bursa Securities"). The Directors remain committed to undergo further continuing education training programmes to upgrade and enhance their knowledge and to keep abreast with the constantly changing environment in the business and corporate sectors. The Directors also have access to various in-house seminars organised by the Group for its senior management staff, whereby they are invited to sit in and participate as and when their schedules permit.

Details of training / seminars / conference attended by the Board members during the financial year as listed below:

Name of Director	Training / Seminars / Conference Attended
Dato' Abdul Majit Bin Ahmad Khan	➢ Strengthening the Board's Role in Setting a Right High Performance Culture ➢ Audit Oversight Board Conversation with Audit Committees ➢ Sustainability Symposium
Heng Chee Wei *(AMP)*	➢ Outlook on Plastics and Composites from European Perspectives
Chin Sui Yin	➢ ACCA Malaysia Annual Conference
Tan Sri Lim Hock San *PSM, SSAP, DSSA, JP*	➢ Overview of the Anti-Money Laundering & Anti-Terrorism Financing Act 2001 ➢ Board Review On Strategic Enterprise Risk Management – Revisting The Risk Profiled (Strategic And Operation) ➢ The 7th World Chinese Economic Summit with the theme of "China and the World – Forging Euro-Asian Partnerships towards Shared Prosperity" held on 11 November 2015 at The Savoy, London
Datuk Wira Lim Hock Guan *DCSM, DMSM, PJK, JP*	➢ Overview of the Anti-Money Laundering & Anti-Terrorism Financing Act 2001 ➢ Board Review On Strategic Enterprise Risk Management – Revisting The Risk Profiled (Strategic And Operation)

Saved as disclosed above, Dato' Beh Hang Kong, Datuk Tan Choon Hwa (JMK, JP) and Lim Kim Hoe were not able to attend any seminars and / or training programmes during the financial year due to overseas travelling and their busy work schedule. However, they have kept themselves abreast on financial and business matters through readings to enable them to contribute to the Board. They are also aware of their duties and responsibilities and will continue to undergo other relevant training programmes to keep abreast with new regulatory developments and requirements in compliance with the Listing Requirements on continuing education.

The Board will on continuing basis evaluate and determine the training needs of each Director, particularly on relevant new law and regulations and essential practices for effective corporate governance and risk management to enable the Directors to effectively discharge their duties.

In addition to the above, Directors would be updated on recent developments in the areas of statutory and regulatory requirements from the briefing by the External Auditors, the Internal Auditors and Company Secretaries during the Committee and/or Board Meetings.

B. DIRECTORS' REMUNERATION

In line with the best practices of the MCCG, the Board has set up a Remuneration Committee which comprise exclusively of Non-Executive Directors in order to assist the Board for determining the Director's remuneration.

The present members of the Remuneration Committee are as follows :

Chairman - Dato' Abdul Majit Bin Ahmad Khan
(Independent Non-Executive Chairman)

Members - Heng Chee Wei *(AMP)*
(Independent Non-Executive Director)
Datuk Wira Lim Hock Guan *DCSM, DMSM, PJK, JP*
(Non-Independent Non-Executive Director)

The Remuneration Committee shall meet at least once a year and at such time, the Chairman of the Remuneration Committee may request for a meeting as and when deemed necessary. The quorum of the Remuneration Committee meeting shall be two (2) members, of which at least one (1) shall be an independent director.

The Remuneration Committee is authorised by the Board to establish a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors. The remuneration of Directors shall be the ultimate responsibility of the full Board after considering the recommendations of the Remuneration Committee.

The remunerations of the Executive Directors were determined fairly based on the performance and the profitability of the Group as a whole. The Directors' remuneration is at the discretion of the Board, taking into account the comparative market rates that commensurate with the level of contribution, experience and participation of each Director. The overriding principle adopted in setting the remuneration packages for the Executive Directors by the Remuneration Committee is to ensure that the Company attracts and retains the appropriate Directors of the caliber needed to run the Group successfully.

The determination of the remuneration for Non-Executive Directors is a matter of the Board as a whole. The level of remuneration for Non-Executive Directors reflects the amount paid by other comparable organisations, adjusted for the experience and levels of responsibilities undertaken by the particular Non-Executive Directors concerned. The remuneration package of Non-Executive Directors will be a matter to be deliberated by the Board, with the Director concerned abstaining from deliberations and voting on deliberations in respect of his individual remuneration. In addition, the Company also reimburses reasonable out-of-pocket expenses incurred by all the Non-Executive Directors in the course of their duties as Directors of the Company. The aggregate annual Directors' fees are to be approved by shareholders at the Annual General Meeting based on recommendations of the Board.

The details of the Directors' remuneration for the financial year ended 31 December 2015 are as follows:

Executive Directors	Non-Executive Directors	
Salaries and other emoluments	Fee	Allowance
841,240	Nil	Nil

B. DIRECTORS' REMUNERATION (CONT'D)

The number of Directors whose remuneration falls into each successive band of RM50,000 for the financial year ended 31 December 2015 are set out below:

	Executive Directors	Non-Executive Directors	Total
RM400,001 – RM450,000	2	–	2

Details of the individual Director's Remuneration are not disclosed in this report as the Board is of the view that the above remuneration disclosures by band and analysis between Executive and Non-Executive Directors satisfy the accountability and transparency aspects of the MCCG.

C. COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

Corporate disclosure policies and procedures

The Board recognises the importance of keeping the shareholders informed and updated of development concerning the Group. In this regard, the Group strictly adheres to the disclosure requirements of Bursa Securities. The Group practices open communication with its investors.

In order to maintain its commitment of effective communication with shareholders, the Group embrace the practice of comprehensive, timely and continuing disclosures of information to its shareholders as well as the general investing public.

The practice of disclosure of information is to adopt the best practices recommended in the MCCG with regard to strengthening engagement and communication with shareholders, it is not only established just to comply with the Listing Requirements of Bursa Securities.

The Group also endeavour to provide additional disclosures of information on a voluntary basis, where necessary. The management believes that consistently maintaining a high level of disclosure and extensive communication is vital to shareholders and investors in making informed investment decisions.

Besides the above, the Company's Annual Report, circulars and financial results are dispatched on annually basis to the shareholders to provide an overview of the Group's business activities and performances. The Share Registrar is available to attend to administrative matters relating to shareholder interests. The Company Strive to provide a high level of transparency reporting in order to provide value for users.

Leverage on Information Technology for Effective Dissemination of Information

The Company's website at www.mlglobal.com.my incorporates an Investor Relationships section which provides all relevant information on the Company accessible to the public. This section enhances the investor relations function by including all announcements made by the Company and its annual reports.

The quarterly financial results are announced via Bursa LINK after the Board's approval. This is important in ensuring equal and fair access to information by the investing public.

Shareholders and investors may also forward their queries to the Company via email to custcare@mlglobal.com.my.

C. COMMUNICATION WITH SHAREHOLDERS AND INVESTORS (CONT'D)

Dialogue with Shareholders

In addition to the dissemination of information to shareholders and other interested parties via announcements to Bursa Securities, its website, circulars and press releases, the Board is of the view that the annual and any extraordinary general meetings as ideal opportunities to communicate with shareholders.

The Chairman or the Managing Director of the Company will brief shareholders on the Company's projects and elaborate further on proposals for which the approval of shareholders is being sought at the general meeting.

Whilst the Company aims to provide as much information as possible to its shareholders, it is also mindful of the legal and regulatory framework governing the release of material and price-sensitive information.

Annual General Meeting

The Annual General Meeting ("AGM") is the principal forum for dialogue with the shareholders. The shareholders will be notified of the meeting together with a copy of the Company's Annual Report at least twenty one (21) days before the meeting. At the AGM, the Board will present to the shareholders with a comprehensive report on the progress and performance of the Group and the shareholders are encouraged to participate in the questions and answers session there at, where they will be given the opportunity to raise questions or seek more information during the AGM. Informal discussions between the Directors, senior management staff, the shareholders and investors are always active before and after the general meetings.

Apart from contacts at general meetings, currently there is no other formal program or schedule of meetings with investors, shareholders, stakeholders and the public generally. However, the management has the option of calling for meetings with investors/analysts if it deems necessary. Thus far, the management is of the opinion that the existing arrangement has been satisfactory.

On poll voting, the Board is of the opinion that with the current level of shareholders' attendance at general meetings, voting by way of a show of hands continues to be efficient. During the general meetings, the Chairman of the meeting will remind all members present about their right to demand for a poll in accordance with the provisions of the Articles of Association of the Company in the voting on any resolutions. Currently, all resolutions put forth for the shareholders' approval are carried out by a show of hands, unless a poll is demanded or specifically required.

D. ACCOUNTABILITY AND AUDIT

Financial Reporting

The financial statements of the Company are drawn up on a going concern basis and in accordance with the requirements of the applicable accounting standards in Malaysia and provision of the Act. The Board aims to present a balanced and understandable assessment of the Group's position and prospects in its quarterly financial reports and annual financial statements. The Audit Committee assists the Board by reviewing the information for disclosure to ensure completeness, adequacy and accuracy.

Risk Management and Internal Control

The Board is entrusted with the overall responsibility of continually maintaining a sound system of internal control, which covers not only financial controls but also operational and compliance controls as well as risk management, and the need to review its effectiveness regularly in order to safeguard shareholders' investments and the Company's assets. The internal control system is designed to access current and emerging risks, respond appropriate to risks of the Group.

D. ACCOUNTABILITY AND AUDIT (CONT'D)

Risk Management and Internal Control (Cont'd)

As an effort to enhance the system of internal control, the Board together with the assistance of external professional Internal Audit firm adopted on-going monitoring and review to the existing risk management process in place within the various business operations, with the aim of formalising the risk management functions across the Group. This function also acts as a source to assist the Audit Committee and the Board to strengthen and improve current management and operating style in pursuit of best practices.

As an ongoing process, significant business risks faced by the Group are identified and evaluated and consideration is given on the potential impact of achieving the business objectives. This includes examining principal business risks in critical areas, assessing the likelihood of material exposures and identifying the measures taken to mitigate, avoid or eliminate these risks.

The information on the Group's internal control is further elaborated in pages 34 to 36 on the Statement on Risk Management and Internal Control of this Annual Report.

Relationship with Auditors

The Company has established a transparent arrangement with the auditors to meet their professional requirements. From time to time, the auditors highlight to the Audit Committee and Board of Directors on matters that require the Board's attention. The Audit Committee also meets the external auditors without the presence of the Executive Directors and the management at least twice a year on any matters relating to the Group and its audit activities.

In assessing the independence of external auditors, the Audit Committee reviewed and considered a written assurance from the external auditors, confirming that they are, and have been, independent throughout the conduct of their audit engagement with the Company in accordance with the independence criteria of International Standards on Auditing and By-Laws issued by the Malaysian Institute of Accountants.

Annual appointment or re-appointment of the external auditor is via shareholders' resolution at the AGM on the recommendation of the Board. The external auditors are being invited to attend the AGM of the Company to response and reply to the Shareholders' enquiries on the conduct of the statutory audit and the preparation and contents of the audited financial statement.

The Audit Committee is satisfied with the competence and independence of the external auditors for the financial year under review.

E. COMPLIANCE STATEMENT

Saved as disclosed above, the Board is of the view that the Group has complied with and shall remain committed to attaining the highest possible standards through the continuous adoption of the principles and best practices set out in MCCG and all other applicable laws, where applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for the preparation of financial statements prepared for each financial year to give a true and accurate view of the state of the Group and the Company of the results and cash flows of the Group and the Company for the financial year then ended.

In ensuring the preparation of these financial statements, the Directors have observed the following criteria:

- Overseeing the overall conduct of the Company's business and that of the Group;
- Identifying principal risks and ensuring that an appropriate system of internal control exists to manage these risks;
- Reviewing the adequacy and integrity of Risk Management and Internal Control System in the Company and within the Group;
- Adopting suitable accounting policies and apply them consistently;
- Making judgments and estimates that are reasonable and prudent; and
- Ensuring compliance with application Approved Accounting Standards in Malaysia.

The Directors are responsible for ensuring that proper accounting and other records which are closed with reasonable accuracy at any time the financial position of the Group and ensuring that the financial statements comply with the Listing Requirements, the provisions of the Companies Act, 1965 and applicable Approved Accounting Standards in Malaysia.

AUDIT COMMITTEE REPORT

COMPOSITION OF THE AUDIT COMMITTEE

The present members of the Audit Committee and their respective designation are as follows:

Chairman	-	Heng Chee Wei *(AMP)* (Independent Non-Executive Director)
Members	-	Chin Sui Yin (Independent Non-Executive Director) Datuk Tan Choon Hwa *(JMK, JP)* (Independent Non-Executive Director) Tan Sri Lim Hock San *PSM, SSAP, DSSA, JP* (Non-Independent Non-Executive Director)

TERMS OF REFERENCE OF AUDIT COMMITTEE

Membership

Members of the Audit Committee shall be appointed by the Board amongst themselves, comprising:

(1) not less than three (3) members, the majority of whom must be independent directors;

(2) all the members must be financially literate, with at least one member:

  (i) must be a member of the Malaysian Institute of Accountants;

  (ii) if he is a non-member, he must have 3 years' working experience and:

    (a) he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or
    (b) he must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or

  (iii) fulfill such other requirements prescribed by the Exchange.

(3) In the event of any vacancy in the Committee resulting in the number of the members being reduced to below three, the Company must fill the vacancy within three months.

(4) No alternate director shall be appointed as a member of the Audit Committee.

(5) The Chairman of the Committee shall be elected from among Audit Committee members, shall be an independent director. The period for which the Chairman is to hold office may be determined by the members.

The Company Secretary shall be the Secretary of the Audit Committee.

Meetings and Quorum of the Audit Committee

Meetings shall be held not less than four (4) times a year. Additional meetings may be called at the discretion of the Chairman or any member or at the request of the external auditors. The quorum for each meeting of the Audit Committee shall be a majority of members present, not being less than two (2), who must be independent directors.

AUDIT COMMITTEE REPORT
(cont'd)

The Committee may invite the Managing Director or any members of the management and representatives of the external auditors to attend any of its meetings as it determines. At least twice a year, the Committee shall meet with the external auditors without the executive board members present.

Minutes of all meetings of the Committee shall be recorded by the Secretary and circulated to all the members. The Chairman shall report on the proceedings of the Committee to the Board by way of submission of minutes of the Committee or by such other mode as the Chairman shall in his discretion deems fit.

The Audit Committee regulates its own meeting procedures.

Authority

The Audit Committee is authorised by the Board to investigate any matter within its terms of reference. It has full and unrestricted access to any information pertaining to the Group and direct communication channels with any employees and the external auditors of the Company.

The Committee is also authorised by the Board to review conflict of interest situations that may arise within the Group and to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Function and Duties

(1) Review and discuss with the external and internal auditors the nature and scope of their respective audit strategy, audit plans or programmes.

(2) Review the external auditors' statutory and other audit reports and management letter and the response from the management.

(3) Review the scope and results of the internal audit procedures.

(4) Review with the external and internal auditors their evaluations of the system of internal accounting controls, in particular with regard to the adequacy of the Group's internal control system.

(5) Review quarterly and yearly balance sheets and income statements of the Company and the Group, prior to the approval by the Board of Directors, focusing particularly on:

    (i) changes in or implementation of major accounting policies;
    (ii) significant and unusual events; and
    (iii) compliance with accounting standards and other legal requirements.

(6) Commission and review the findings of internal investigations into matters within its terms of reference.

(7) Review interested person transactions, which are defined as transactions between the Company, its subsidiary companies or target associated company and a director, chief executive officer, or substantial shareholder of the Company or their associates.

(8) Recommend to the Board on the appointment or re-appointment of external auditors and their fees and make appropriate recommendations on matters of resignation or dismissal of external auditors.

(9) Carry out such other functions as may be agreed to by the Audit Committee and the Board.

AUDIT COMMITTEE REPORT
(cont'd)

ATTENDANCE OF AUDIT COMMITTEE MEETINGS

The Audit Committee met six (6) times for the financial year ended 31 December 2015. The details of attendance of each Audit Committee member are as follows:

Name of Audit Committee Member	Total meetings attended by Audit Committee Member
Heng Chee Wei *(AMP)*	6/6
Chin Sui Yin	6/6
Datuk Tan Choon Hwa *(JMK, JP)*	6/6
Tan Sri Lim Hock San *PSM, SSAP, DSSA, JP*	5/6

SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AUDIT COMMITTEE

Among the activities undertaken by the Audit Committee during the financial year under review are as follows:

(i) Reviewed and sought management explanations and recommended actions on the Group's quarterly and annual financial results and performance to the Board of Directors for approval.

(ii) Reviewed with external auditors on their audit planning memorandum on the statutory audit of the Group for the financial year ended 31 December 2015.

(iii) Reviewed any related party transactions within the Group.

(iv) Reviewed the adequacy of the scope, functions, competency and resources of the outsourced internal auditors and that they have the necessary authority to carry out their work.

(v) Reviewed the internal audit plan and reports presented on the state of internal control of the Group.

(vi) Reviewed the Audit Committee Report and Statement on Risk Management and Internal Control prior before recommending to the Board for approval and inclusion in the Annual Report.

(vii) Reviewed and monitored the suitability and independence of the external auditors.

(viii) Reviewed and considered the nomination of external auditors for recommendation to the Board for re-appointment.

(ix) Reviewed the Group compliance with prevailing laws, regulations and accounting standards and matters related to corporate governance in compliance with the revamped Listing Requirements of Bursa Malaysia Securities Berhad.

INTERNAL AUDIT FUNCTION

The Group had appointed an established external professional Internal Audit firm, which reports to the Audit Committee and assists the Audit Committee in reviewing the effectiveness of the internal control systems within the Group whilst ensuring that there is an appropriate balance of controls and risks throughout the Group in achieving its business objectives. With the internal audit function being put in place, remedial action can be taken in relation to weaknesses identified and noted in the systems and controls of the respective operating units. The setting up of the internal audit function is geared towards increasing efficiency and better management of resources in all aspects of the Group's operations. The scope of internal audit covers the audits of all units and operations, including subsidiaries as stated in the letter of engagement.

The Audit Committee regularly convenes meetings to deliberate on the findings and recommendations for improvement by the Group's internal auditors, external auditors as well as regulatory authorities. The Audit Committee reviews the actions taken to rectify the findings in a timely manner, and to evaluate the effectiveness and adequacy of the Group's internal control systems.

During the financial year under review, the Internal Auditors has conducted an internal audit review on the Sales and Trade Receivable for the manufacturing division of the Group and the objectives of the said review are listed as below :

(a) To ensure that the sales processes are consistent with the authorised and documented policies and procedures;
(b) To ensure that all sales are duly, correctly, completely and promptly recorded in the accounting records;
(c) To ensure that adequate monitoring of debts and collections;
(d) To ensure that all invoices are paid and income is correctly identified and reflected in the accounts; and
(e) To ensure that there is a system to maintain the integrity of the accounts receivable system and data.

The costs incurred for the internal audit function in respect of the financial year is approximately RM12,000.00.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code of Corporate Governance ("MCCG") requires listed companies to maintain a sound system of internal control to safeguard shareholders' investment and the Group's assets. The Board has complied with the Best Practices set out in the MCCG and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements").

In view of this, the Board of Directors of ML Global Berhad is pleased to provide the following statement on the state of the internal control of the Group as a whole for the financial year ended 31 December 2015, which has been prepared in accordance with the Statement on Risk Management and Internal Control : Guidelines for Directors of Listed Issuers issued by Bursa Malaysia Securities Berhad.

BOARD RESPONSIBILITY

The Board is responsible to maintain a sound system of internal control and to review for its adequacy and integrity on an ongoing basis. It includes not only financial controls, operational and compliance controls but also risk management. However, due to the limitations inherent in an internal control system, the Board has implemented an internal control system designed to manage rather than to eliminate the risks that may impede the achievement of the Group's business objectives.

The implementation of the risk management and internal control system within the Group inclusive of design, operation, identification, assessment, mitigation and control of risks, are operated with the assistance of the Managing Director ("MD") and his management team throughout the period. The Board has received assurance from the Managing Director and Chief Executive Officer that the Group's risk management and internal control system is operating adequately and effectively in all material aspects, based on the risk management and internal control system of the Group.

The system of risk management and internal control can only provide reasonable but not absolute assurance against any material misstatement, fraud or loss.

RISK MANAGEMENT

Risk management is firmly embedded in the Group's management systems. The Risk Management Committee ("RMC") of the Group assists the Board in undergoing the process for identifying, evaluating, monitoring and managing the significant risks across all the functions of the Group. The RMC will also reviews and evaluates the adequacy of the overall risk management policies and procedures to ensure that risk exposures are being measured and monitored to ensure continuous improvement. The Group strongly believes that such risk management approaches are vital for continued profitability and enhancement of shareholder value.

SYSTEM OF INTERNAL CONTROL

The Group's internal controls include, among others:

- An organisation structure with key responsibilities clearly defined for the Board, members of the Board and the executive management of the Group's operating units;
- Board's approved operational plans to chart a clear direction for all operating units to work cohesively towards meeting the business objective of the Group having assessed the inherent risks involved and the necessary action plans thereof;
- Supply of regular and comprehensive financial and management information to management to enable them to monitor actual performance against approved plan so as to constantly keep track and monitor the directions in which the Group is heading;
- Written policies and procedures regulating financial and operating activities which are subjected to regular reviews and updates to reflect the changing business risks and to resolve operational deficiencies;
- A documented delegation of authority that sets out decisions that need to be taken and the appropriate levels of management involved including matters that require the Board's approval; and
- Scheduled operational and management meetings are held to discuss and review the business plans, budgets, financial and operational performances of the Group. The quarterly financial statements are presented to the Board for their review and approval. The Board also plays an active role in discussing and reviewing the business plans, strategies, performance and risks faced by the Group.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to an independent professional firm. The Internal Auditors supports the Audit Committee, and by extension, the Board, by providing independent assurance on the effectiveness of the Group's system of internal control.

The internal audit plan which reflects the identified risks of the Group's major business sectors was reviewed and approved by the Audit Committee. The scope of the Internal Auditors' function covered the audit and review of governance, risk assessment, compliance, operational and financial controls of the Group's business units and operations.

During the financial year ended 31 December 2015, internal audit visits were carried out based on the approved audit plan, among the key coverage included the following:

(i) Review on the Sales and Trade Receivable for manufacturing division

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

INTERNAL AUDIT FUNCTION (CONT'D)

and the findings of the internal audit, including the recommended corrective actions, were presented directly to the Audit Committee.

All reports from the internal audit reviews carried out were submitted and presented to the Audit Committee with the feedback and agreed corrective actions to be undertaken by management. Subsequently, the progress of these corrective actions were monitored and verified by internal auditors on a regular basis and submitted to the Audit Committee. Based on the internal audit review conducted, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this Annual Report.

In assessing the adequacy and effectiveness of the system of internal control and functional control procedures of the Group, the Audit Committee reports to the Board on its activities, significant audit results or findings and the necessary recommendations or actions needed to be taken by the management to rectify those issues.

In performing the internal audit review, the Internal Auditors refers to and is guided by The International Professional Practices Framework (IPPF) that includes the Definition of Internal Auditing, the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors.

CONCLUSION

Pursuant to Paragraph 15.23 of the Listing Requirements, the External Auditors have reviewed this Statement on Risk Managament and Internal Control for inclusion in the Annual Report of the Company for the financial year ended 31 December 2015 and reported to the Board that nothing has come to their attention that causes them to believe that this statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal control.

For the financial year under review, there were no significant internal control deficiencies or material weaknesses resulting in material losses or contingencies requiring disclosure in the Annual Report. The Board is of the view that the existing system of the internal control is adequate and effective to safeguard the shareholders' investment, the interests of customers, regulators, employees and the Group's assets. Nevertheless, the Board recognises that the development of internal control system is an ongoing process. Therefore, in striving for continuous improvement, the Board will continue to take appropriate action plans to further enhance the Group's system of internal control.

OTHER INFORMATION

Status of Utilisation of Proceeds

On 31 October 2014, the Company had completed its Regularisation Plan by issuance of 17,000,000 Placement Shares together with the 8,500,000 Warrants in relation to the Private Placement, 36,497,200 Rights Shares together with 18,248,600 Warrants in relation to the Rights Issue with Warrants and 16,640,000 Settlement Shares pursuant to the Debt Settlement which had been listed and quoted on Main Market of Bursa Malaysia Securities Berhad on even date.

As at 31 December 2015, the gross proceeds arising from the Private Placement, Rights Issue with Warrants and Agreements to Assign Debts was partially utilised in the following manner:

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)
Working capital for construction activities and/or existing roofing tiles operations	19,662	12,972
Estimated expenses *	1,950	1,292
	21,612	14,264

* expenses relating to the Regularisation Plan including professional fees, brokerage and placement fees, fees payable to the relevant authorities, printing, postage and other miscellaneous cost relating to the Regularisation Plan. Any variation surplus or shortfall will be adjusted to or from the portion allocated for working capital for construction activities and/or the existing roofing tiles operations.

Share Buybacks

During the financial year, there were no share buybacks by the Company.

Options, Warrants or Convertible Securities

No options, warrants or convertible securities were issued during the financial year.

Depository Receipt Programme

The Company does not have any depository receipt programme in place.

Imposition of Sanctions and/or Penalties

No sanctions and/or penalties imposed on the Company and its subsidiary companies, directors or management by the relevant regulatory bodies.

Non-Audit Fees

The Non-audit fees paid to the external auditors by the Company and its subsidiary companies during the financial year was amounted to RM20,000.00 for the review of the unaudited quarterly results of the Group prior to the announcement to Bursa Securities.

OTHER INFORMATION
(cont'd)

Variation in Results

There were no significant variances between the results for the financial year and the unaudited results previously announced on 25 February 2016.

Profit Guarantee

Pursuant to the Company's announcement made to Bursa Securities on 18 February 2014, LBS Bina Group Berhad together with Dato' Beh Hang Kong, both the major shareholders of the Company, have agreed to provide a profit guarantee, on a proportionate basis, of an audited operational after tax profit of RM6.0 million per annum of the ML Global Group (excluding write-off, other income and any other adjustments not in the ordinary course of business) for the two (2) financial years following the successful implementation of the proposed regularisation plan.

As at 31 December 2015, the Group has recorded an audited operational after tax profit of RM 6.64 million (excluding write-off, other income and any other adjustment not in the ordinary course of business) which has met the profit guarantee of RM6.0 million per annum mentioned above.

Material Contracts

During the financial year, there were no material contracts entered into by the Company and its subsidiary involving Directors' and major shareholders' interests.

Recurrent Related Party Transactions of a Revenue Nature ("RRPT")

The Company is seeking approval from shareholders for the proposed renewal of shareholders' mandate for ML Global Group to enter into RRPT(s) of a revenue or trading nature pursuant to Chapter 10.09 and Practice Note 12 of the Listing Requirements at the forthcoming Annual General Meeting to be held on 17 June 2016.

OTHER INFORMATION
(cont'd)

RRPTs of a trading or revenue nature of the Group for the financial year ended 31 December 2015 are as follows :

Related Party	ML Global Group-Transacting Party	Nature of Transaction with ML Global Group	Value of Transaction as at 31 December 2015	Nature of relationship between ML Global Group and the Related Party
LBS Bina Group Berhad's ("LBS") group of companies	ML Global Group	• Provision and/or receipt of contracts in relation to construction works and property development. • Provision and/or receipt of services in relation to project management, project consultancy and property management. • Supply and/or purchase of construction and building materials.	RM28.12 million	• LBS is a Major Shareholder of ML Global with a shareholding of 31.95% as at 31 December 2015. • Tan Sri Lim Hock San PSM, SSAP, DSSA, JP is the Managing Director of LBS and a shareholder of LBS with direct shareholding of 1.66%. He is also a Non-Independent Non-Executive Director of ML Global. Through the shares held by LBS pursuant to Section 6A of the Act, he is also a Major Shareholder of ML Global. • Datuk Wira Lim Hock Guan DCSM, DMSM, PJK, JP is an Executive Director of LBS and a shareholder of LBS with direct shareholding of 1.43%. He is also a Non-Independent Non-Executive Director of ML Global. Through the shares held by LBS pursuant to Section 6A of the Act, he is also a Major Shareholder of ML Global.

FINANCIAL REPORT

for the financial year ended 31 December 2015

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services to the subsidiaries. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM	The Company RM
Profit/(loss) for the financial year	10,173,838	(1,141,922)
Attributable to:		
Owners to the Company	10,173,838	(1,141,922)
Non-controlling interests	–	–
	10,173,838	(1,141,922)

DIVIDENDS

No dividends were paid, declared or proposed by the Company since the end of the previous financial year. The directors also do not recommend any final dividend in respect of the current financial year.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the authorised and issued and paid-up share capital of the Company; and

(b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

DIRECTORS' REPORT
(cont'd)

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

The contingent liabilities are disclosed in Note 29 to the financial statements. At the date of this report, there does not exist:-

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

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

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

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, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year.

DIRECTORS

The directors who served since the date of the last report are as follows:-

Dato' Beh Hang Kong
Datuk Tan Choon Hwa *(JMK, JP)*
Chin Sui Yin
Dato' Abdul Majit Bin Ahmad Khan
Tan Sri Lim Hock San, *PSM, SSAP, DSSA, JP*
Datuk Wira Lim Hock Guan, *DCSM, DMSM, PJK, JP*
Heng Chee Wei *(AMP)*
Lim Kim Hoe

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares and options over shares of the Company and its related corporations during the financial year are as follows:-

	← Number Of Ordinary Shares Of RM0.50 Each →			
	At 1.1.2015	**Bought**	**Sold**	**At 31.12.2015**
Direct Interests In the Company				
Dato' Beh Hang Kong	26,084,604	–	–	26,084,604
Datuk Tan Choon Hwa *(JMK, JP)*	106,000	–	–	106,000
Deemed interest through LBS Bina Group Berhad				
Tan Sri Lim Hock San, *PSM, SSAP, DSSA, JP*	19,777,023	1,862,600	–	21,639,623
Datuk Wira Lim Hock Guan, *DCSM, DMSM, PJK, JP*	19,777,023	1,862,600	–	21,639,623

By virtue of their shareholdings in the Company, Dato' Beh Hang Kong and Datuk Tan Choon Hwa are deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 6A of the Companies Act 1965.

The other directors holding office at the end of the financial year had no interest in shares and options over 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 year, no director has received or become entitled to receive any 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, or the fixed salary of a full-time employee of the Company) 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 except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 27 to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is 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.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 31 to the financial statements.

Signed in accordance with a resolution of the directors dated 1 April 2016.

Dato' Beh Hang Kong

Lim Kim Hoe

STATEMENT BY DIRECTORS

We, Dato' Beh Hang Kong and Lim Kim Hoe, being two of the directors of ML Global Berhad, state that, in the opinion of the directors, the financial statements set out on pages 48 to 102 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 at 31 December 2015 and of their financial performance and cash flows for the financial year ended on that date.

The supplementary information set out in Note 32, which is not part of the financial statements, is prepared in all material respects, in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

Signed on behalf of the Board in accordance with a resolution of the directors dated 1 April 2016.

Dato' Beh Hang Kong **Lim Kim Hoe**

STATUTORY DECLARATION

I, Chew Wee Seong, I/C No. 700604-01-5551, being the officer primarily responsible for the financial management of ML Global Berhad, do solemnly and sincerely declare that the financial statements set out on pages 48 to 102 are, to the best of my knowledge and belief, 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
Chew Wee Seong, I/C No. 700604-01-5551,
At Petaling Jaya in the state of Selangor
Darul Ehsan on this 1 April 2016

Chew Wee Seong

Before me
B460
S. Arokiadass A.M.N
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT
to the members of ML GLOBAL BERHAD

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of ML Global Berhad, which comprise statements of financial position as at 31 December 2015 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 48 to 102.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015 and of their financial performances 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.

INDEPENDENT AUDITORS' REPORT
to the members of ML GLOBAL BERHAD
(cont'd)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

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

(c) Our audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 32 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

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

CHI-LLTC
Firm No: AF 1114
Chartered Accountants

Tang Boon Hiap
Approval No: 2127/02/17(J)
Chartered Accountant

Selangor Darul Ehsan
1 April 2016

STATEMENTS OF FINANCIAL POSITION AT
31 December 2015

		The Group		The Company	
		2015	2014	2015	2014
	Note	RM	RM	RM	RM
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	–	–	4	4
Property, plant and equipment	6	18,609,742	24,402,432	598,903	634,263
Deferred tax assets	7	1,500,000	–	–	–
		20,109,742	24,402,432	598,907	634,267
CURRENT ASSETS					
Inventories	8	1,254,041	921,242	–	–
Trade receivables	9	21,161,885	3,127,270	–	–
Other receivables, deposits and prepayments	10	7,488,561	4,830,677	4,367,244	4,739,134
Amount owing by subsidiaries	11	–	–	2,321,911	–
Fixed deposit	12	4,000	4,000	–	–
Cash and bank balances		2,984,365	9,117,048	2,472,687	8,907,826
		32,892,852	18,000,237	9,161,842	13,646,960
Non-current assets held for sale	13	12,086,177	9,385,884	–	–
		44,979,029	27,386,121	9,161,842	13,646,960
TOTAL ASSETS		65,088,771	51,788,553	9,760,749	14,281,227

The annexed notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION AT
31 December 2015
(cont'd)

		The Group		The Company	
		2015	2014	2015	2014
	Note	RM	RM	RM	RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	14	44,817,200	44,817,200	44,817,200	44,817,200
Warrant reserves	14	2,674,860	2,674,860	2,674,860	2,674,860
Accumulated losses		(17,217,144)	(27,390,982)	(39,022,360)	(37,880,438)
TOTAL EQUITY		30,274,916	20,101,078	8,469,700	9,611,622
NON-CURRENT LIABILITIES					
Term loans	15	13,976,087	14,982,717	–	–
Bank overdrafts	16	–	150,757	–	–
		13,976,087	15,133,474	–	–
CURRENT LIABILITIES					
Trade payables	17	13,382,698	3,268,555	–	–
Other payables and accruals	18	4,450,799	5,000,566	1,291,049	4,404,680
Hire purchase payables	19	–	531,660	–	–
Term loans	15	–	1,456,895	–	–
Provision for taxation		–	1,605,840	–	264,925
Bank overdrafts	16	3,004,271	4,690,485	–	–
		20,837,768	16,554,001	1,291,049	4,669,605
TOTAL LIABILITIES		34,813,855	31,687,475	1,291,049	4,669,605
TOTAL EQUITY AND LIABILITIES		65,088,771	51,788,553	9,760,749	14,281,227

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the financial year ended 31 December 2015

		The Group		The Company	
		2015	2014	2015	2014
	Note	RM	RM	RM	RM
REVENUE	20	37,026,211	8,459,644	–	1,200,000
COST OF SALES		(27,520,243)	(9,001,288)	–	–
GROSS PROFIT		9,505,968	(541,644)	–	1,200,000
OTHER INCOME		1,766,633	13,876,076	583,496	906,000
		11,272,601	13,334,432	583,496	2,106,000
ADMINISTRATIVE EXPENSES		(2,764,123)	(10,605,151)	(1,990,343)	(17,805,466)
FINANCE COSTS		(1,431,480)	(1,358,862)	–	–
PROFIT/(LOSS) BEFORE TAXATION	21	7,076,998	1,370,419	(1,406,847)	(15,699,466)
INCOME TAX EXPENSE	22	3,096,840	(1,252,483)	264,925	–
PROFIT/(LOSS) FOR THE YEAR		10,173,838	117,936	(1,141,922)	(15,699,466)
OTHER COMPREHENSIVE INCOME		–	–	–	–
TOTAL COMPREHENSIVE INCOME		10,173,838	117,936	(1,141,922)	(15,699,466)
PROFIT FOR THE YEAR ATTRIBUTABLE TO:-					
Owner of the Company		10,173,838	117,936	(1,141,922)	(15,699,466)
Non-controlling interests		–	–	–	–
		10,173,838	117,936	(1,141,922)	(15,699,466)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
Owner of the Company		10,173,838	117,936	(1,141,922)	(15,699,466)
Non-controlling interests		–	–	–	–
		10,173,838	117,936	(1,141,922)	(15,699,466)
PROFIT PER SHARE (SEN)	23				
Basic		11.35	0.13		
Diluted		8.74	0.10		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
for the financial year ended 31 December 2015

	Non-Distributable					
The Group	**Share Capital RM**	**Warrant reserves RM**	**Distributable Accumulated Losses RM**	**Attributable to owners of the Company RM**	**Non-Controlling Interest RM**	**Total Equity RM**
Balance at 1.1.2014	97,486,002	–	(112,571,460)	(15,085,458)	–	(15,085,458)
Profit/Total comprehensive income for the financial year	–	–	117,936	117,936	–	117,936
Contributions by and distribution to the owners of the Company						
- capital reduction	(87,737,402)	–	87,737,402	–	–	–
- issuance of shares	35,068,600	–	–	35,068,600	–	35,068,600
- issuance of warrant reserves	–	2,674,860	(2,674,860)	–	–	–
Balance at 31.12.2014/1.1.2015	44,817,200	2,674,860	(27,390,982)	20,101,078	–	20,101,078
Profit/Total comprehensive income for the financial year	–	–	10,173,838	10,173,838	–	10,173,838
Balance at 31.12.2015	44,817,200	2,674,860	17,217,144	30,274,916		30,274,916
The Company						
Balance at 1.1.2014	97,486,002	–	(107,243,514)	(9,757,512)	–	(9,757,512)
Loss/Total comprehensive expense for the financial year	–	–	(15,699,466)	(15,699,466)	–	(15,699,466)
Contributions by and distributionto the owners of the Company						
- capital reduction	(87,737,402)	–	87,737,402	–	–	–
- issuance of shares	35,068,600	–	–	35,068,600	–	35,068,600
- issuance of warrant reserves	–	2,674,860	(2,674,860)	–	–	–
Balance at 31.12.2014/1.1.2015	44,817,200	2,674,860	(37,880,438)	9,611,622	–	9,611,622
Loss/Total comprehensive expense for the financial year	–	–	(1,141,922)	(1,141,922)	–	(1,141,922)
Balance at 31.12.2015	44,817,200	2,674,860	(39,022,360)	8,469,700	–	8,469,700

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

for the financial year ended 31 December 2015

		The Group		The Company	
		2015	2014	2015	2014
	Note	RM	RM	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before taxation		7,076,998	1,370,419	(1,406,847)	(15,699,466)
Adjustments for:-					
Depreciation		1,024,000	1,079,381	115,062	69,027
Intercompany debts written off		–	–		14,591,936
Allowance for impairment losses on trade receivables		–	5,257,199	–	–
Waiver of debts		(818,319)	(11,016,804)	(432,053)	(845,662)
Allowance for impairment loss on trade receivables written back		(495,000)	(3,016,980)	–	–
Interest expense		1,431,480	1,358,862	–	–
Dividend income		(152,193)	(15,470)	(151,393)	(15,470)
Bad debts recovered		(9,000)	–	–	–
Interest income		–	(44,868)	–	(44,868)
Gain on disposal of property, plant and equipment		(292,072)	–	–	–
Bad debts written off		178,497	–	–	–
Loss on disposal of property, plant and equipment		–	263	–	–
Property, plant and equipment written off		–	534,391	–	–
Operating profit/(loss) before working capital changes		7,944,391	(4,493,607)	(1,875,231)	(1,944,503)
(Increase)/Derease in inventories		(332,799)	462,250	–	–
(Increase)/Decrease in trade and other receivables		(20,424,925)	(2,475,812)	371,890	(4,686,393)
Increase/(Decrease) in trade and other payables		10,382,695	(8,031,744)	(2,681,578)	(10,893,223)
CASH FOR OPERATIONS		(2,430,638)	(14,538,913)	(4,184,919)	(17,524,119)
Interest income		–	44,868	–	44,868
Interest paid		(1,431,480)	(1,358,862)	–	–
Income tax paid		(9,000)	(20,346)	–	–
Income tax refunded		–	31,031	–	–
NET CASH FOR OPERATING ACTIVITIES		(3,871,118)	(15,842,222)	(4,184,919)	(17,479,251)

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
for the financial year ended 31 December 2015
(cont'd)

		The Group		The Company	
		2015	2014	2015	2014
	Note	RM	RM	RM	RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividend income		152,193	15,470	151,393	15,470
Advances to subsidiaries		–	–	(2,321,911)	–
Purchase of property, plant and equipment	24	(81,602)	(386,147)	(79,702)	(386,147)
Proceeds from disposal of property, plant and equipment		2,500,000	17,695	–	–
NET CASH FROM/(FOR) INVESTING ACTIVITIES		2,570,591	(352,982)	(2,250,220)	(370,677)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issuance of shares		–	26,748,600	–	26,748,600
Repayment of hire purchase		(531,660)	(311,591)	–	–
Repayment of term loans		(2,463,525)	(397,256)	–	–
NET CASH (FOR)/FROM FINANCING ACTIVITIES		(2,995,185)	26,039,753	–	26,748,600
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS		(4,295,712)	9,844,549	(6,435,139)	8,898,672
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		4,275,806	(5,568,743)	8,907,826	9,154
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	25	(19,906)	4,275,806	2,472,687	8,907,826

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015

1. GENERAL INFORMATION

The Company is a public company limited by shares and is incorporated under the Companies Act 1965 in Malaysia. The domicile of the Company is Malaysia. The registered office and principal place of business are as follows:-

Registered office	:	Suite 10.03, Level 10, The Gardens South Tower Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur
Principal place of business	:	H01 & H02, Sunway PJ 51A Jalan SS 9A/19 47300 Petaling Jaya, Selangor Darul Ehsan

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 1 April 2016.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services to the subsidiaries. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

3.1 During the current financial year, the Group has adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)
Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions
Annual Improvements to MFRSs 2010 – 2012 Cycle
Annual Improvements to MFRSs 2011 – 2013 Cycle

3. BASIS OF PREPARATION (CONT'D)

3.1 During the current financial year, the Group has adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):- (Cont'd)

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

The amendments to MFRS 119 simplify the accounting treatment on contributions from employees and third parties to defined benefit plans. Contributions that are independent of the number of years of services shall be recognised as a reduction in the service cost in the period in which the related service is rendered. For contributions that are dependent on the number of years of services, the Group is required to attribute those contributions to periods of service using either based on the plan's contribution formula or on a straight-line basis, as appropriate.

3.2 The Group has not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers Amendments to MFRS15: Effective date of MFRS 15	1 January 2018
Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Defined : To be advised
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011): Investment Entities – Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101: Presentation of Financial Statements – 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 (2011): Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application except as follows:-

3. BASIS OF PREPARATION (CONT'D)

3.2 The Group has not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:- (Cont'd)

MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces the existing guidance in MFRS 139 and introduces a revised guidance on the classification and measurement of financial instruments, including a single forward-looking 'expected loss' impairment model for calculating impairment on financial assets, and a new approach to hedge accounting. Under this MFRS 9, the classification of financial assets is driven by cash flow characteristics and the business model in which a financial asset is held. Therefore, it is expected that the Group's investments in unquoted shares that are currently stated at cost less accumulated impairment losses will be measured at fair value through other comprehensive income upon the adoption of MFRS 9. The Group is currently assessing the financial impact of adopting MFRS 9.

MFRS 15 establishes a single comprehensive model for revenue recognition and will supersede the current revenue recognition guidance and other related interpretations when it becomes effective. Under MFRS 15, an entity shall recognise revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customers. In addition, extensive disclosures are required by MFRS 15. The Group anticipates that the application of MFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the financial statements. However, it is not practicable to provide a reasonable estimate of the financial impacts of MFRS 15 until the Group performs a detailed review.

The amendments to MFRS 10, MFRS 12 and MFRS 128 (2011) clarify that the exemption from preparing consolidated financial statements is available to intermediate parent entity which is a subsidiary of an investment entity, even when the investment entity measures its subsidiaries at fair value. The intermediate parent entity would need to meet the other criteria for exception in MFRS 10. The Company is itself an intermediate parent entity of an investment entity and will deconsolidate its subsidiary upon the initial application of these amendments.

The amendments to MFRS 127 allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. The Company, if it has the intention, can change its accounting policies on investments in subsidiaries to the equity method when the amendments become effective.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(b) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

(c) Impairment of Non-Financial Assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(d) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

(e) Impairment of Trade and Other Receivables

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its loans and receivables financial assets and analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgment to evaluate the adequacy of the allowance for impairment losses. 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. If the expectation is different from the estimation, such difference will impact the carrying value of receivables.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

(f) Classification of Leasehold Land

The classification of leasehold land as a finance lease or an operating lease requires the use of judgement in determining the extent to which risks and rewards incidental to its ownership lie. Despite the fact that there will be no transfer of ownership by the end of the lease term and that the lease term does not constitute the major part of the indefinite economic life of the land, management considered that the present value of the minimum lease payments approximated to the fair value of the land at the inception of the lease. Accordingly, management judged that the Group has acquired substantially all the risks and rewards incidental to the ownership of the land through a finance lease.

(g) Fair Value Estimates for Certain Financial Assets and Liabilities

The Group carries certain financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Group uses different valuation methodologies. Any changes in fair value of these assets and liabilities would affect profit and/or equity.

4.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December 2015.

Subsidiaries are entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

(a) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 BASIS OF CONSOLIDATION (CONT'D)

(b) Non-Controlling Interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

At the end of each reporting period, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

(c) Changes In Ownership Interests In Subsidiaries Without Change of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity of the Group.

(d) Loss of Control

Upon the loss of control of a subsidiary, the Group recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:-

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and

(ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 139 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4.3 FUNCTIONAL AND PRESENTATION CURRENCY

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FINANCIAL INSTRUMENTS

Financial instruments are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

(a) Financial Assets

On initial recognition, financial assets are classified as either financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables financial assets, or available-for-sale financial assets, as appropriate.

(i) Financial Assets at Fair Value through Profit or Loss

Financial assets are classified as financial assets at fair value through profit or loss when the financial asset is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established.

As at the end of the reporting period, there were no financial assets classified under this category.

(ii) Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold to maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment loss, with interest income recognised in profit or loss on an effective yield basis.

As at the end of the reporting period, there were no financial assets classified under this category.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

(iii) Loans and Receivables Financial Assets

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables financial assets. Loans and receivables financial assets are measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

(iv) Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories.

After initial recognition, available-for-sale financial assets are remeasured to their fair values at the end of each reporting period. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the fair value reserve, with the exception of impairment losses. On derecognition, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity into profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payments is established.

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

As at the end of the reporting period, there were no financial assets classified under this category.

(b) Financial Liabilities

All financial liabilities are initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

(c) Equity Instruments

Ordinary shares classified as equity are measured at cost and are not remeasured subsequently. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FINANCIAL INSTRUMENTS (CONT'D)

(d) Derecognition

A financial asset or part of it is derecongised when, and only when, the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4.5 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investments includes transaction costs.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

4.6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, other than freehold land and building work-in-progress, are stated at cost less accumulated depreciation and impairment losses, if any.

Freehold land is stated at cost less impairment losses, if any.

Depreciation is charged to profit or loss on the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Freehold land and building work-in-progress are not depreciated. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Leasehold land	Over the lease periods of 31 and 39 years
Buildings	2%
Motor vehicles	10%
Plant, machinery and equipment	3.33% to 33.33%
Furniture, fittings and office equipment	10% to 20%
Electrical installation and renovation	10%

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset is recognised in profit or loss. The revaluation reserve included in equity is transferred directly to retained profits on retirement or disposal of the asset.

4.7 IMPAIRMENT

(a) Impairment of Financial Assets

All financial assets (other than those categorised at fair value through profit or loss), are assessed at the end of each reporting period 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.

An impairment loss in respect of held-to-maturity investments and loans and receivables financial assets is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

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

(b) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is recognised in profit or loss immediately.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.8 ASSETS UNDER HIRE PURCHASE

Assets acquired under hire purchase are capitalised in the financial statements at the lower of the fair value of the leased assets and the present value of the minimum lease payments and, are depreciated in accordance with the policy set out in Note 4.6 above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

4.9 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in-first-out basis and comprises the purchase price and incidentals costs incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price less the estimated costs necessary to make the sale.

4.10 INCOME TAXES

Income tax for the year comprises current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the reporting year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, deposits pledged with financial institutions, bank overdrafts and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturities period three months or less.

4.12 PROVISIONS

Provisions are recognised when the Group has a present obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The unwinding of the discount is recognised as interest expense in profit or loss.

4.13 EMPLOYEE BENEFITS

(a) Short-term Benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group.

(b) Defined Contribution Plans

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

4.14 RELATED PARTIES

A party is related to an entity (referred to as the "reporting entity") if:-

(a) A person or a close member of that person's family is related to a reporting entity if that person:-

(i) has control or joint control over the reporting entity;
(ii) has significant influence over the reporting entity; or
(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.14 RELATED PARTIES (CONT'D)

(b) An entity is related to a reporting entity if any of the following conditions applies:-

(i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
(iii) Both entities are joint ventures of the same third party.
(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
(vi) The entity is controlled or jointly controlled by a person identified in (a) above.
(vii) A person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

4.15 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

4.16 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.17 REVENUE AND OTHER INCOME

(a) Sale of Goods

Revenue is measured at fair value of the consideration received or receivable and is recognised upon delivery of goods and customers' acceptance and where applicable, net of returns and trade discounts.

(b) Construction contracts

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and contract cost are recognised in profit or loss in proportion to the stage of completion of the contract. Contract expenses are recognised as incurred unless they create an asset related to future contract activity.

The stage of completion is assessed by reference to the proportion that contract costs incurred for work performed to-date bear to the estimated total contract costs.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

(c) Management fee

Management fee is recognised on the accrual basis when services are rendered, unless collectability is in doubt.

4.18 NON-CURRENT ASSETS HELD FOR SALE

Non-current assets (or disposal group comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the non-current assets (or the disposal group) are remeasured in accordance with the Group's accounting policies. Upon classification as held for sale, the non-current assets (the disposal group) are not depreciated and are measured at the lower of their previous carrying amount and fair value less cost to sell. Any differences are recognised in profit or loss.

4.19 OPERATING SEGMENTS

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4.20 BORROWING COSTS

Borrowing costs, directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

All other borrowing costs are recognised in profit or loss as expenses in the period in which they incurred.

5. INVESTMENTS IN SUBSIDIARIES

	The Company 2015 RM	2014 RM
Unquoted shares, at cost		
- in Malaysia	61,977,002	61,977,002
Accumulated impairment losses	(61,976,998)	(61,976,998)
	4	4

The details of the subsidiaries are as follows:-

Name of Subsidiary	Country of Incorporation	Effective Equity Interest 2015 %	2014 %	Principal Activities
Vintage Tiles Industries Sdn. Bhd.	Malaysia	100	100	Manufacturing and trading of roof tiles and construction contracts
Vintage Tiles Industries (EM) Sdn. Bhd.#	Malaysia	100	100	Dormant
Vintage Roofing & Construction Sdn. Bhd.#	Malaysia	100	100	Supply and laying of roof tiles and installation of roofing on a consignment basis and contractors for building and works of any kinds
Newsteel Building Systems Sdn. Bhd. #	Malaysia	80	80	Dormant
Vintage Tiles Holdings Sdn. Bhd.	Malaysia	100	100	Dormant
Subsidiaries of Vintage Roofing & Construction Sdn. Bhd.				
Tirai Impresif Sdn. Bhd.#	Malaysia	100	100	Dormant
VTI Consortium Sdn. Bhd.#	Malaysia	100	100	Dormant

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of modified opinions in auditors' reports of the subsidiaries are as follows:-

(i) Audited by CHI-LLTC

The audit reports of subsidiaries marked "#" contain an emphasis of matter relating to the appropriateness of the going concern basis of accounting used in the preparation of their financial statements.

6. PROPERTY, PLANT AND EQUIPMENT

The Group	At 1.1.2015 RM	Additions RM	Reclassification RM	Disposal RM	Depreciation Charge RM	At 31.12.2015 RM
Net Book Value						
Leasehold land	4,335,976	–	–	–	(126,401)	4,209,575
Buildings	9,760,585	–	–	–	(259,887)	9,500,698
Plant, machinery and equipment	9,660,604	–	(5,103,376)	–	(263,135)	4,294,093
Furniture, fittings and office equipment	83,581	33,272	–	–	(42,953)	73,900
Electrical installation and renovation	561,686	48,330	–	–	(78,540)	531,476
	24,402,432	81,602	(5,103,376)	–	(770,916)	18,609,742

The Group	At 1.1.2014 RM	Additions RM	Reclassification RM	Disposal RM	Depreciation Charge RM	At 31.12.2014 RM
Net Book Value						
Freehold land	3,894,574	–	(3,894,574)	–	–	–
Leasehold land	4,462,377	–	–	–	(126,401)	4,335,976
Buildings	13,443,630	–	(3,341,310)	–	(341,735)	9,760,585
Building work-in-progress	94,005	–	–	(94,005)	–	–
Plant, machinery and equipment	10,640,438	–	–	(455,037)	(524,797)	9,660,604
Furniture, fittings and office equipment	81,587	44,097	–	(738)	(41,365)	83,581
Electrical installation and renovation	267,288	342,050	–	(2,569)	(45,083)	561,686
	32,883,899	386,147	(7,235,884)	(552,349)	(1,079,381)	24,402,432

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

The Group	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
2015			
Leasehold land	5,872,248	1,662,673	4,209,575
Buildings	12,994,340	3,493,641	9,500,699
Plant, machinery and equipment	9,609,600	5,315,508	4,294,092
Furniture, fittings and office equipment	1,521,635	1,447,735	73,900
Electrical installation and renovation	1,401,420	869,944	531,476
	31,399,243	12,789,501	18,609,742
2014			
Leasehold land	5,872,248	1,536,272	4,335,976
Buildings	12,994,340	3,233,755	9,760,585
Plant, machinery and equipment	17,286,676	7,626,072	9,660,604
Furniture, fittings and office equipment	1,464,390	1,380,809	83,581
Electrical installation and renovation	1,353,091	791,405	561,686
	38,970,745	14,568,313	24,402,432

The Company	At 1.1.2015 RM	Additions RM	Depreciation Charge RM	At 31.12.2015 RM
Net Book Value				
Furniture, fittings and office equipment	74,678	31,372	(37,363)	68,687
Electrical installation and renovation	559,585	48,330	(77,699)	530,216
	634,263	79,702	(115,062)	598,903

	At 1.1.2014 RM	Additions RM	Depreciation Charge RM	At 31.12.2014 RM
Net Book Value				
Furniture, fittings and office equipment	59,448	44,097	(28,867)	74,678
Electrical installation and renovation	257,695	342,050	(40,160)	559,585
	317,143	386,147	(69,027)	634,263

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

	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
2015			
Furniture, fittings and office equipment	551,558	482,871	68,687
Electrical installation and renovation	791,982	261,766	530,216
	1,343,540	744,637	598,903
2014			
Furniture, fittings and office equipment	520,186	445,508	74,678
Electrical installation and renovation	743,652	184,067	559,585
	1,263,838	629,575	634,263

(a) Included in the assets of the Group at the end of the previous reporting period were plant, machinery and equipment with a total net book value of RM987,435, which were acquired under hire purchase terms.

(b) The leasehold land and buildings of the Group have been pledged to licensed banks as security for banking facilities granted to the Group.

7. DEFERRED TAXATION

	The Group	
	2015 RM	2014 RM
At 1 January	–	–
Recognised in profit or loss (Note 22)	1,500,000	–
At 31 December	1,500,000	–

7. DEFERRED TAXATION (CONT'D)

Deferred tax assets of the Company is in respect of the deductible temporary differences arises from :

	The Group	
	2015	**2014**
	RM	**RM**
Accelerated capital allowance over depreciation	7,843,148	7,348,080
Unabsorbed capital allowance	12,281,106	12,245,803
Unused tax losses	10,822,782	19,520,262
Net timing differences	30,947,036	39,114,145
Deferred tax assets at 25%	7,736,759	9,778,536
Recognised in profit or loss (Note 22)	(1,500,000)	–
Deferred tax assets not recognised	6,236,759	9,778,536

Deferred tax assets is recognised only to the extent of probable future taxable profit against which the deductible temporary different can be utilised.

8. INVENTORIES

	The Group	
	2015	**2014**
	RM	**RM**
At cost		
Raw materials	284,379	250,203
Finished goods	663,942	463,305
Spare parts	305,720	207,734
	1,254,041	921,242

9. TRADE RECEIVABLES

	The Group 2015 RM	The Group 2014 RM
Trade receivables	18,434,760	13,914,885
Retention sum receivables	2,728,125	–
Allowance for impairment losses	–	(10,787,615)
	21,161,885	3,127,270
Allowance for impairment losses:-		
At 1 January	10,787,615	8,547,396
Addition during the financial year	–	5,257,199
Recovery during the financial year	(9,000)	–
Reversal during the financial year	(495,000)	(3,016,980)
Written off during the financial year	(10,283,615)	–
At 31 December	–	10,787,615

(a) The Group's normal trade credit terms range from 30 to 90 (2014 - 30 to 90) days.

(b) The allowance for impairment losses is made mainly on those trade receivables in significant financial difficulties and have defaulted on payments.

(c) Included in trade receivables are retention sums totalling RM2,728,125 (2014 -RM2,141,846). The retention sums are unsecured, interest-free and expected to be collected within the next 12 months.

10. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group 2015 RM	The Group 2014 RM	The Company 2015 RM	The Company 2014 RM
Other receivables	7,797,653	5,864,112	4,166,492	4,644,174
Less: Allowance for impairment losses	(1,218,990)	(1,218,990)	–	–
	6,578,663	4,645,122	4,166,492	4,644,174
Deposits	139,297	112,560	78,210	94,960
Prepayments	770,601	72,995	122,542	–
	7,488,561	4,830,677	4,367,244	4,739,134

Other receivables are non-trade in nature, unsecured, interest-free and repayable on demand.

11. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	The Company	
	2015 RM	2014 RM
<u>Amount Owing By Subsidiaries</u>		
Current		
Non-trade balances	2,321,911	–
Allowance for impairment losses	–	–
	2,321,911	–

	The Company	
	2015 RM	2014 RM
Allowance for impairment losses:-		
At 1 January	–	11,526,631
Addition during the financial year	–	–
Written off during the financial year	–	(11,526,631)
At 31 December	–	–

The non-trade balances are unsecured, interest-free and repayable on demand.

12. FIXED DEPOSIT

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

13. NON-CURRENT ASSETS HELD FOR SALE

	The Group	
	2015	**2014**
	RM	**RM**
At beginning of the financial year	10,149,884	2,162,933
Addition during the financial year	5,490,181	7,986,951
At end of the financial year	15,640,065	10,149,884
Accumulated depreciation:-		
At 1 January/31 December	764,000	12,933
Addition during the financial year	2,802,811	751,067
	3,553,878	764,000
Net carrying amount	12,086,177	9,385,884

(a) The non-current assets held for sale represent freehold land and a leasehold land where the lease period is until 2926.

(b) Both the freehold land and leasehold land are pledged to a licensed bank for banking facilities granted to the Company as disclosed in Note 15 to the financial statements.

14. SHARE CAPITAL

The movements in the authorised and paid-up share capital of the Company are as follows:-

	The Group		The Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
	Number Of Shares			
Authorised				
Ordinary shares				
At beginning of the year (RM0.50/RM1 per share)	1,000,000,000	500,000,000	500,000,000	500,000,000
Split during the year by reduced the par value to RM0.50	–	500,000,000	–	–
At end of the year (RM0.50 per share)	1,000,000,000	1,000,000,000	500,000,000	500,000,000
Issued And Fully Paid-Up				
Ordinary shares				
At beginning of the year (RM0.50/RM1 per share)	89,634,400	97,486,002	44,817,200	97,486,002
Capital reduction (reduced the par value to RM0.10)	–	–	–	(87,737,402)
Share consolidation	–	(77,988,802)	–	–
Addition (RM0.50 per share)	–	70,137,200	–	35,068,600
At end of the year (RM0.50 per share)	89,634,400	89,634,400	44,817,200	44,817,200

Warrant Reserve

The allocated fair values of free warrants are credited to a warrant reserve, which is non-distributable. The warrant reserve will be transferred to the share premium account upon the exercise of the warrants.

15. TERM LOANS

	The Group	
	2015	2014
	RM	RM
Current		
Not later than one year		
- Term loan I	–	455,924
- Term loan II	–	1,000,971
	–	1,456,895
Non-Current		
Later than one year		
- Term loan I	–	338,511
- Term loan II	–	667,314
- Term loan III	13,976,087	13,976,892
	13,976,087	14,982,717

(a) All the term loans are secured by way of:

(i) legal charges over the property, plant and equipment and non-current assets held for sale as disclosed in Notes 6 and 12 to the financial statements respectively;
(ii) a debenture by way of fixed and floating charge over all present and future assets belonging to subsidiaries; and
(iii) corporate guaranteed by the Company.

(b) The repayment of term loan are as follows:

(i) Term loan I is 20 with monthly instalments of RM44,258; and
(ii) Term loan II is 20 with monthly instalments of RM92,000; and
(iii) Term loan III is on bullet principal repayment basis which will be repaid on 22 April 2017.

16. BANK OVERDRAFTS

The bank overdrafts are secured by way of:

(i) legal charges over the property, plant and equipment as disclosed in Note 6 to the financial statements; and
(ii) corporate guaranteed by the Company.

17. TRADE PAYABLES

The normal trade credit term granted to the Group and the Company is 30 to 60 (2014 - 30 to 60) days.

Included in trade payables are retention sums totalling RM1,621,187 (2014 - RM911,217). The retention sums are unsecured, interest-free and expected to be collected within the next 12 months.

18. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2015 RM	**2014 RM**	**2015 RM**	**2014 RM**
Other payables	1,272,471	1,926,013	259,573	2,090,282
Deposits received	1,955,000	580,000	–	–
Accruals	441,314	586,389	249,462	406,234
Amount due to directors	782,014	1,908,164	782,014	1,908,164
	4,450,799	5,000,566	1,291,049	4,404,680

The amount owing to directors represents unsecured interest-free advances granted to the Group and the Company. The amount is repayable on demand.

19. HIRE PURCHASE PAYABLES

	The Group	
	2015 RM	**2014 RM**
Minimum hire purchase payments:		
- not later than one year	–	555,000
Less: Future finance charges	–	(23,340)
Present value of hire purchase payables	–	531,660
<u>Current</u>		
Not later than one year	–	531,660

20. REVENUE

	The Group		The Company	
	2015 RM	**2014 RM**	**2015 RM**	**2014 RM**
Sales of goods	8,901,016	8,237,509	–	–
Construction contracts	27,585,195	222,135	–	–
Management fee	540,000	–	–	1,200,000
	37,026,211	8,459,644	–	1,200,000

21. PROFIT/(LOSS) BEFORE TAXATION

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Profit/(Loss) before taxation is arrived at after charging/(crediting):-				
Audit fee:				
- current financial year	103,996	56,166	51,000	19,992
- underprovision in the previous financial year	4,485	5,084	2,008	–
Bad debts written off	178,496	–	–	–
Depreciation	1,024,000	1,079,381	115,062	69,027
Directors' fee	2,665	28,500	–	21,000
Directors' remuneration	841,240	299,316	841,240	299,316
Allowance for impairment loss:				
- trade receivables	–	5,257,199	–	–
Intercompany debts written off	–	–	–	14,591,936
Interest expense:				
- bank overdrafts	354,912	312,688	–	–
- hire purchase	(19,578)	58,409	–	–
- term loans	1,096,146	987,765	–	–
Inventories written off	–	181,406	–	–
Loss on disposal of property, plant and equipment	–	263	–	–
Rental of hostel	22,050	24,600	–	–
Rental of premises	62,257	150,573	62,257	150,573
Rental of tractor and equipment	113,460	68,720	13,770	14,760
Staff costs:				
- salaries and others benefits	2,194,349	2,644,857	828,486	928,144
Property, plant and equipments written off	–	534,391	–	–
Bad debts recovered	(9,000)	–	–	–
Dividend income	(152,193)	(15,470)	(151,393)	(15,470)
Interest income	–	(44,868)	–	(44,868)
Gain on disposal of property, plant and equipment	(292,072)	–	–	–
Reversal of allowance for impairment loss:				
- trade receivables	(495,000)	(3,016,980)	–	–
Waiver of debts	(818,319)	(11,016,804)	(432,053)	(845,662)

22. INCOME TAX EXPENSE

	The Group		The Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Income tax:				
- Malaysian tax	–	1,237,342	–	–
- (Over)/underprovision in previous financial year	(1,596,840)	15,141	(264,925)	–
Income tax expense for the financial year	(1,596,840)	1,252,483	(264,925)	–
Deferred taxation (Note 7)	(1,500,000)	–	–	–
	(3,096,840)	1,252,483	(264,925)	–

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

	The Group		The Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Profit/(Loss) before taxation	7,076,998	1,370,419	(1,406,847)	(15,699,466)
Tax at the statutory tax rate of 25% (2014 - 25%)	1,769,250	342,605	(351,712)	(3,924,867)
Tax effects of:-				
Non-taxable income	(72,326)	(5,463,300)	–	(11,217)
Non-deductible expenses	253,873	5,766,412	130,944	3,879,940
Deferred tax assets not recognised during the year	223,573	591,625	220,768	56,144
Utilisation of deferred tax assets not previously recognised	(3,674,370)	–	–	–
(Over)/under provision in the previous financial year	(1,596,840)	15,141	(264,925)	–
Income tax expense for the financial year	(3,096,840)	1,252,483	(264,925)	–

23. PROFIT PER SHARE

	The Group	
	2015 RM	2014 RM
Continuing operations		
Profit attributable to owners of the Company (RM)	10,173,838	117,936
Ordinary share at 31 December	89,634,400	89,634,400
Warrant at 31 December	26,748,600	26,748,600
Weighted average number of ordinary shares at 31 December	116,383,000	116,383,000
Basic profit per share (Sen)	11.35	0.13
Diluted profit per share (Sen)	8.74	0.10

24. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	The Group	
	2015 RM	2014 RM
Cost of plant and equipment purchased	81,602	386,147
Amount financed through hire purchase	–	–
Cash disbursed for purchase of plant and equipment	81,602	386,147

25. CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:-

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Cash and bank balances	2,984,365	9,117,048	2,472,688	8,907,826
Bank overdrafts	(3,004,271)	(4,841,242)	–	–
	(19,906)	4,275,806	2,472,688	8,907,826

26. DIRECTORS' REMUNERATION

(a) The aggregate amounts of emoluments received and receivable by directors of the Group and the Company during the financial year are as follows:-

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Executive directors:				
- non-fee emoluments	841,240	299,316	841,240	299,316
Non-Executive directors:				
- fee	–	28,500	–	21,000
- non-fee emoluments	–	–	–	–
	841,240	327,816	841,240	320,316

(b) Details of directors' emoluments of the Company received/receivable for the financial year in bands of RM50,000 are as follows:-

	The Company	
	2015 RM	2014 RM
Executive directors:-		
RM100,001 – RM150,000	–	2
RM400,001 – RM450,000	2	–
Non-Executive directors:-		
Below RM50,000	–	2
	2	4

27. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identities of related parties

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, key management personnel and entities within the same group of companies.

(b) Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Management fees received/ receivable from subsidiaries	–	–	–	1,200,000
Contract revenue from a related party	28,125,000	222,135	–	–
Rental paid/payable to a company in which a Company's director has substantial financial interests	–	–	–	126,173
Key management personnel compensation:				
- short-term employee benefits	349,569	470,577	–	470,577

28. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Executive Committee as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 3 main business segments as follows:-

(a) Manufacturing segment – involved in the manufacturing and trading of roof tiles.

(b) Construction segment – involved in the construction contracts based on the percentage of completion method.

(c) Corporate segment – involved in management services to the subsidiaries.

The Group Executive Committee assesses the performance of the operating segments based on operating profit or loss which is measured differently from those disclosed in the consolidated financial statements.

Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items. Unallocated items comprise mainly investments and related income, loans and borrowings and related expenses, corporate assets (primarily the Company's headquarters) and head office expenses.

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(cont'd)

28. OPERATING SEGMENTS (CONT'D)

Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties.

BUSINESS SEGMENTS

2015	Manufacturing & Trading RM	Construction Contract RM	Others RM	Group RM
Revenue				
External revenue	8,901,016	27,585,195	540,000	37,026,211
Inter-segment revenue	–	–	–	–
	8,901,016	27,585,195	540,000	37,026,211
Adjustments and eliminations				–
Consolidated revenue				37,026,211
Results				
Results before following adjustments	3,175,421	5,817,057	540,000	9,532,478
Adjustments and elimPinations	–	–	–	–
Depreciation	(1,024,000)	–	–	(1,024,000)
Segment results	2,151,421	5,817,057	540,000	8,508,478
Finance costs				(1,431,480)
Income tax expense				3,096,840
Consolidated profit after taxation				10,173,838
Assets				
Segment assets	36,703,050	17,653,816	10,731,905	65,088,771
Consolidated total assets				65,088,771
Liabilities				
Segment liabilities	22,420,862	9,901,631	2,491,362	34,813,855
Provision for taxation				–
Consolidated total liabilities				34,813,855

28. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

	Manufacturing & Trading RM	Construction Contract RM	Others RM	Group RM
2014				
Revenue				
External revenue	8,237,509	222,135	–	8,459,644
Inter-segment revenue	7,665,224	–	1,200,000	8,865,224
	15,902,733	222,135	1,200,000	17,324,868
Adjustments and eliminations				(8,865,224)
Consolidated revenue				8,459,644
Results				
Results before following adjustments	22,060,710	–	(9,386,824)	12,673,886
Adjustments and eliminations	(8,733,224)	–	(132,000)	(8,865,224)
Depreciation	(1,007,666)	–	(71,715)	(1,079,381)
Segment results	12,319,820	–	(9,590,539)	2,729,281
Finance costs				(1,358,862)
Income tax expense				(1,252,483)
Consolidated profit after taxation				117,936
Assets				
Segment assets	37,258,033	244,349	14,286,171	51,788,553
Consolidated total assets				51,788,553
Liabilities				
Segment liabilities	24,242,409	79,537	5,759,689	30,081,635
Provision for taxation				1,605,840
Consolidated total liabilities				31,687,475

28. OPERATING SEGMENTS (CONT'D)

BUSINESS SEGMENTS (CONT'D)

GEOGRAPHICAL INFORMATION

The Group operates predominantly in Malaysia. Accordingly, the information by geographical segment is not presented.

MAJOR CUSTOMERS

The following are major customers with revenue equal to or more than 10% of Group revenue:-

	Revenue		Segment
	2015	**2014**	
	RM	**RM**	
Budimax Sdn. Bhd.	5,017,207	4,905,781	Roofing Tiles
Terreal (Malaysia) Sdn. Bhd.	3,197,087	1,837,588	Roofing Tiles
LBS Bina Group Berhad	27,585,195	222,135	Construction

29. CONTINGENT LIABILITIES

	The Group		The Company	
	2015	**2014**	**2015**	**2014**
	RM	**RM**	**RM**	**RM**
Unsecured				
Corporate guarantees given to licensed banks for credit facilities granted to subsidiaries	–	–	18,440,000	21,012,000
Corporate guarantees issued to third parties in respect of trade facilities of subsidiaries	–	–	1,000,000	1,000,000

30. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

30.1 FINANCIAL RISK MANAGEMENT POLICIES

The Group's policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group does not have any transactions or balances denominated in foreign currencies and hence not exposed to foreign currency risk.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities. The Group's policy is to obtain the most favourable interest rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

Information relating to the Group's exposure to the interest rate risk of the financial liabilities is disclosed in Note 30.1(c) to the financial statements.

Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group		The Company	
	2015 Increase/ (Decrease) RM	2014 Increase/ (Decrease) RM	2015 Increase/ (Decrease) RM	2014 Increase/ (Decrease) RM
Effects On Profit After Taxation				
Increase of 10 basic points (bp)	9,992	10,905	–	–
Decrease of 10 bp	(9,992)	(10,905)	–	–

(iii) Equity Price Risk

The Group does not have any quoted investments and hence is not exposed to equity price risk.

30. FINANCIAL INSTRUMENTS (CONT'D)

30.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. Impairment is estimated by management based on prior experience and the current economic environment.

(i) Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by 9 customers which constituted approximately 60% of its trade receivables at the end of the reporting period.

(ii) Exposure to credit risk

As the Group does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets at the end of the reporting period.

(iii) Ageing analysis

The ageing analysis of the Group's trade receivables (including amount owing by related parties) at the end of the reporting period is as follows:-

The Group	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Value RM
2015				
Not past due	9,775,845	–	–	9,775,845
Past due:				
1 to 30 days past due	5,700,315	–	–	5,700,315
31 to 60 days past due	406,941	–	–	406,941
61 to 90 days past due	1,822,400	–	–	1,822,400
More than 91 days past due	3,456,384	–	–	3,456,384
	21,161,885	–	–	21,161,885

30. FINANCIAL INSTRUMENTS (CONT'D)

30.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Ageing analysis (Cont'd)

The Group	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Value RM
2014				
Not past due	1,066,386	–	–	1,066,386
Past due:				
1 to 30 days past due	486,125	–	–	486,125
31 to 60 days past due	77,066	–	–	77,066
61 to 90 days past due	60,468	–	–	60,468
More than 91 days past due	12,224,840	(10,787,615)	–	1,437,225
	13,914,885	(10,787,615)	–	3,127,270

At the end of the reporting period, trade receivables that are individually impaired were those in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancement.

The collective impairment allowance is determined based on estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience.

Trade receivables that are past due but not impaired

The Group believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection track record and no recent history of default.

Trade receivables that are neither past due nor impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Group. The Groups uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due or more than 91 days, which are deemed to have higher credit risk, are monitored individually.

30. FINANCIAL INSTRUMENTS (CONT'D)

30.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Weighted Average Effective Rate %	Carrying Amount RM	Contractual Undiscounted CashFlows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
2015						
Term loans	6.79	13,976,087	13,976,087	–	13,976,087	–
Trade payables		13,382,698	13,382,698	13,382,698	–	–
Other payables and accruals		4,450,799	4,450,799	4,450,799	–	–
Bank overdrafts	5.76	3,004,271	3,004,271	3,004,271	–	–
		34,813,855	34,813,855	20,837,768	13,976,087	–
2014						
Hire purchase payables	4.39	531,660	555,000	555,000	–	–
Term loans	6.79	16,439,612	16,702,052	15,611,988	1,090,064	–
Trade payables		3,268,555	3,268,555	3,268,555	–	–
Other payables and accruals		5,000,566	5,000,566	5,000,566	–	–
Bank overdrafts	5.76	4,841,242	4,895,161	4,735,161	160,000	–
		30,081,635	30,421,334	29,171,270	1,250,064	–

30. FINANCIAL INSTRUMENTS (CONT'D)

30.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

The Company	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
2015					
Other payables and accruals	1,291,049	1,291,049	1,291,049	–	–
2014					
Other payables and accruals	4,404,680	4,404,680	4,404,680	–	–

30.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholder(s) value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as total borrowings from financial institutions divided by total equity.

There was no change in the Group's approach to capital management during the financial year.

The debt-to-equity ratio of the Group at the end of the reporting period was as follows:-

	The Group 2015 RM	The Group 2014 RM
Hire purchase payables	–	531,660
Term loans	13,976,087	16,439,612
Bank overdrafts	3,004,271	4,841,242
	16,980,358	21,812,514
Less: Fixed deposit with licensed banks	(4,000)	(4,000)
Less: Cash and bank balances	(2,984,365)	(9,117,048)
Net debt	13,991,993	12,691,466
Total equity	30,274,916	20,101,078
Debt-to-equity ratio	0.46	0.63

30. FINANCIAL INSTRUMENTS (CONT'D)

30.2 CAPITAL RISK MANAGEMENT (CONT'D)

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity (total equity attributable to owners of the Company) equal to or not less than the 25% of the issued and paid-up share capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company breached this requirement in previous financial years and had triggered prescribed criteria of paragraph 2.1(a) of Practice Note 17 ("PN17") and was therefore classified under PN17. However, the regularisation plan had been completed on 31 October 2015 and the Company made an application to Bursa Securities for the upliftment of the PN17 status of the Company upon the Company recording 2 consecutive quarterly results of net profits immediately after the completion of the implementation of the regularisation plan. The PN17 Status has been subsequently uplifted effective on 11 March 2016.

30.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Financial Assets				
<u>Loans and receivables financial assets</u>				
Trade receivables	21,161,885	3,127,270	–	–
Other receivables and deposits	7,488,561	4,830,677	4,367,244	4,739,134
Amount owing by subsidiaries	–	–	2,321,911	–
Fixed deposit with licensed banks	4,000	4,000	–	–
Cash and bank balances	2,984,365	9,117,048	2,472,687	8,907,826
	31,638,811	17,078,995	9,161,842	13,646,960
Financial Liabilities				
<u>Other financial liabilities</u>				
Trade payables	13,382,698	3,268,555	–	–
Other payables and accruals	4,450,799	5,000,566	1,291,049	4,404,680
Hire purchase payables	–	531,660	–	–
Term loans	13,976,087	16,439,612	–	–
Bank overdrafts	3,004,271	4,841,242	–	–
	34,813,855	30,081,635	1,291,049	4,404,680

30.4 FAIR VALUE MEASUREMENTS

At the end of the reporting period, there were no financial instruments carried at fair values.

The fair values of the financial assets and financial liabilities approximated their carrying amounts due to the relatively short-term maturity of the financial instruments (maturing within the next 12 months). The fair values are included in level 2 of the fair value hierarchy.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) Practice Note 17

The Company on 25 February 2010 announced that the Company is considered an Affected Listed Issuer pursuant to the Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") as it has triggered Paragraph 2.1(a) of the PN17.

(i) Obligation of the Company as an Affected Listed Issuer

Pursuant to the PN17, the Company as an Affected Listed Issuer is required to comply with the following:

(i) within 12 months from the date of Announcement:

(a) submit a regularisation plan to Securities Commission ("SC") if the plan will result in a significant change in the business direction or policy of the Company; or

(b) submit a regularisation plan to Bursa Securities if the plan will not result in a significant change in the business direction or policy of the Company, and obtain Bursa Securities's approval to implement the plan;

(ii) implement the regularisation plan within the timeframe stipulated by the SC or Bursa Securities, as the case may be;

(iii) announce with three (3) months from the First Announcement, on whether the regularisation plan will result in a significant change in the business direction or policy of the Company;

(iv) announce the status of its regularisation plan and the number of months to the end of the relevant timeframes on a monthly basis ("monthly announcement") until further from Bursa Securities;

(v) announce its compliance or non-compliance with a particular obligation imposed pursuant to the PN17, on an immediate basis;

(vi) announce the details of the regularisation plan ("Requisite Announcement") and sufficient information to demonstrate that the Company is able to comply with all the requirements set out under paragraph 3.1 of PN17 after implementation of the regularisation plan, which shall include a timeline for the complete implementation of the regularisation plan. The Requisite Announcement must be made by a corporate finance adviser that may act as principal adviser under the Securities Commission's Guidelines on Principal Adviser for Corporate Proposals; and

(vii) where the Company fails to regularise its condition, announce the dates of suspension and de-listing of its listed securities immediately upon notification of suspension and de-listing by Bursa Securities.

(ii) Consequence of non-compliance

In the event the Company fails to comply with the obligations to regularise its condition, all its listed securities will be suspended from trading on the next market day after five (5) market days from the date of notification of suspension by Bursa Securities and de-listing procedures shall be taken against the Company, subject to the Company's right to appeal against the de-listing.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition

On 13 April 2010, the Company announced a preliminary scheme to regularise the current financial condition of the Company. In compliance with Paragraph 3.1 and 4.1 of the PN17, as an Affected Listed Issuer, the Company is required to make a requisite announcement and submit a regularisation plan to the relevant authorities for approval with twelve (12) months from the date of the First Announcement on 25 February 2010. As such, on behalf of the Board of Directors, Hong Leong Investment Bank Berhad (formerly known as MIMB Investment Bank Berhad) ("HLIBB") on 9 September 2010, announced that the Company has proposed to implement a proposed regularisation plan which comprises the following:

(i) Proposed Capital Reduction;
(ii) Proposed Share Consolidation;
(iii) Proposed M&A Ammendments;
(iv) Proposed Private Placement;
(v) Proposed Rights Issue;
(vi) Proposed Debt Settlement; and
(vii) Proposed Set-Off.
(Herein referred to as the "Proposals")

Details of the Proposals are attached to the announcement dated 9 September 2010.

On 10 February 2011, HLIBB on behalf of the Company submitted an application for an extension of time to Bursa Securities to submit the proposed regularisation plan.

Bursa Securities has vide its letter dated 14 March 2011, approved the Company's application for an extension of time until 24 April 2011 to submit its regularisation plan.

In the event that:

(i) The Company fails to submit the regularisation plan to the regulatory authorities for approval on or before 24 April 2011;

(ii) The Company fails to obtain the approval from any of the regulatory authorities necessary for the implementation of its regularisation plan; or

(iii) The Company fails to implement its regularisation plan within the time frame or extended time frames stipulated by the regulatory authorities,

Bursa Securities reserves the right to proceed with the suspension of the trading of the securities of the Company and to commence de-listing procedures against the Company.

Upon occurrence of any of the events set out in (i) to (iii) above, a suspension shall be imposed on the trading of the listed securities of the Company upon the expiry of five (5) market days from the date the Company is notified by Bursa Securities and de-listing procedures shall be commenced against the Company.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

The Company submitted its regularisation plan to Bursa Securities for approval on 22 April 2011 which comprises of:

(i) Proposed reduction of ML Global Berhad (Formerly known as VTI Vintage Berhad)'s ("MLGB") existing issued and paid-up share capital from approximately RM97.49 million comprising 97,486,002 existing shares to approximately RM9.75 million comprising 97,486,002 ordinary shares of RM0.10 each via the cancellation of RM0.90 of the par value of each existing share pursuant to Section 64 of the Act;

(ii) Proposed share consolidation via the consolidation of five (5) reduced shares into one (1) MLGB's share after the Proposed Capital Reduction;

(iii) Proposed amendments to the M&A of MLGB to facilitate the change in the par value of the MLGB's Shares resulting from the Proposed Capital Reduction and Proposed Share Consolidation;

(iv) Proposed Private Placement of 12,000,000 new MLGB shares;

(v) Proposed renounceable right issue of up to 31,497,200 new MLGB's shares on the basis of one (1) new MLGB's share for every one (1) existing MLGB's share held by the shareholders of MLGB after the Proposed Shareholders' Scheme and Proposed Private Placement;

(vi) Proposed formal scheme of arrangement and compromise pursuant to Section 176 of the Act in respect to the amounts owing to the secured and unsecured creditors of MLGB via the issuance of up to 18,556,106 new MLGB shares after a seventy five percent (75%) debt waiver by the unsecured creditors;

(vii) Proposed set-off of any cash advances against the subscription monies payable by a Director pursuant to his irrevocable undertaking to subscribe for his rights entitlement and/or procure subscriptions for the Proposed Rights Issue up to a maximum amount of RM5.0 million.

On 2 November 2011, HLIBB on behalf of the holding company had announced on the following variation to the Proposals. It was previously announced in Section 2.7(ii)(d) of the announcement dated 9 September 2010 that if any of the unsecured creditors is a subsidiary of MLGB, its entitlement to the MLGB's Shares shall be allotted and issued to a trustee and/or an agent for the creditor who will subsequently dispose of the shares allotted and issued to it and remit the proceeds to the subsidiary concerned.

After further deliberation by the Board, the Company has decided to vary the said distribution such that if any of the unsecured creditors is the holding company itself or a subsidiary of the holding company, its entitlement to the MLGB's shares will be allotted and issued to a placee to be identified ("Placee") and the cash proceeds therefrom will be paid to the Company who will then distribute the respective entitlement to its subsidiaries ("Proposed Variation"). The Proposed Variation was decided by the Board to avoid any possible infringement of Section 17 of the Companies Act 1965.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

On 23 December 2011, HLIBB on behalf of the Company had announced that the variation of the regularisation plan as the following:

(i) variations on the inter-conditionality of the Proposals; and

(ii) assignment of the MLGB's Group inter-company debt to Distinct Treasures Sdn. Bhd.

On 2 April 2012, Bursa Securities rejected the Company's proposed regularisation plan which was submitted to Bursa Securities on 22 April 2011.

In the circumstances and pursuant to Rule 8.04(5) of the Bursa Securities Main Market Listing Requirements ("MLR"):

(i) the trading in the securities of the Company will be suspended with effect from 10 April 2012; and

(ii) the securities of the Company will be de-listed on 4 May 2012 unless an appeal against the rejection of the regularisation plan and de-listing is submitted to Bursa Securities on or before 1 May 2012 ("the Appeal Timeframe"). Any appeal submitted after the Appeal Timeframe will not be considered by Bursa Securities.

In the event of the Company submits an appeal to Bursa Securities within the Appeal Timeframe, the removal of the securities of the Company from the official list of Bursa Securities on 4 May 2012 shall be deferred pending the decision on the Company's appeal.

On 3 April 2012, HLIBB on behalf of the Company had announced that Bursa Securities had vide its letter dated 2 April 2012, rejected the application by the Company in relation to regularisation plan.

Bursa Securities' rejection was premised on the concern that the regularisation plan does not comply with Paragraph 3.1 of Practice Note 17 of the MLR and in particular sub-paragraph (a) of 3.1 which specifies that the regularisation plan must be sufficiently comprehensive and capable of resolving all the problems, financial or otherwise that has caused the Company to trigger the Prescribed Criteria (as defined in the MLR). In deciding to reject the Company's regularisation plan, Bursa Securities has considered that the Company or principal adviser has failed to demonstrate to the satisfaction of Bursa Securities the ability of the existing businesses of the Company and its subsidiary companies ("the Group") to sustain the Group post completion of its Proposals given the following:

(i) the proposed regularisation plan is solely reliant on the existing businesses of the Group and it is noted that there is no material changes to the business plan of the Group. It is further noted that the Group has been incurring losses for the past seven (7) audited financial years up to the financial year ended 31 December 2010 and continued to incur losses (net write back of allowance of doubtful debts) for its unaudited financial year ended 31 December 2011. This also raises concerns as to the ability of the Company to record a net profit immediately after completion of the implementation of the proposed regularisation plan; and

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

(ii) the Company or principal adviser have not satisfactorily demonstrated to Bursa Securities the ability of its existing businesses or operations such as its manufacturing and sales of roof tiles and construction divisions to compete, increase and sustain the Company and its growth in the long term. In particular, it is noted amongst others, that the Company has only secured a few construction contracts, mostly with relatively small contract sum or value and the revenue and profits of the construction division of the Group in the immediate years are largely dependent on contracts which have not been secured or based on a memorandum of understanding.

The Board of Directors of the Company will deliberate on the next course of action and is expected to appeal to Bursa Securities on the rejection within the timeframe stipulated in paragraph 8.04(4) of the MLR.

In accordance with the listing circular issued on 2 April 2012 against the Company, Bursa Securities wishes to clarify that the imposition of suspension and de-listing against the Company were pursuant to paragraph 8.04(5) of the Bursa Securities MLR.

In the event of the Company submits an appeal to Bursa Securities within the Appeal Timeframe, the removal of the securities of the Company from the official list of Bursa Securities on 4 May 2012 shall be deferred pending the decision on the Company's appeal.

On 30 April 2012, the Company had made an appeal on the said rejection. On 24 July 2012, Bursa Securities approved the Company's proposed regularisation plan which consists of the following:

(i) Proposed share capital reduction of the Company's issued and paid up share capital via cancellation of RM0.90 of the par value of each existing ordinary share of RM1.00 each in the Company pursuant to Section 64 of the Companies Act 1965;

(ii) Proposed share consolidation via the consolidation of five (5) ordinary shares of RM0.10 each into one (1) share of RM0.50 each in the Company;

(iii) Proposed amendments to the Memorandum and Articles of Association;

(iv) Proposed private placement of 17,000,000 new consolidated ordinary shares of RM0.50 each in the Company together with 8,500,000 free detachable warrants on the basis of one (1) warrant for every two (2) placement shares held to strategic investors at an issue price of RM0.50 per share;

(v) Proposed renounceable rights issue of 36,497,200 new consolidated shares of RM0.50 each in the Company on the basis of one (1) Right Share for every one (1) existing Company share held together with 18,248,600 free detachable warrants on the basis of one (1) warrant for every two (2) Rights Share subscribed by the entitled shareholders on an entitlement date to be determined;

(vi) Proposed debt settlement pursuant to Section 176 of the Act in respect of the amount owing to the secured and unsecured creditors of the Company via the issuance of up to 18,556,106 new ordinary shares of RM0.50 each in the Company after obtaining a 75% haircut from the unsecured creditors; and

(vii) Proposed set-off of any cash advance to the Company from its major shareholder, Dato' Beh Hang Kong ("DBHK"), against the subcription monies payable by DBHK pursuant to his irrevocable undertaking to subscribe and/or procure subscription for the proposed rights issue up to a maximum of RM5.0 million.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

Bursa Securities' approval of the appeal was made after due consideration of relevant facts and circumstances including:

(i) The changes of the Company's business model for its manufacturing and distribution of tiles division;

(ii) The growth of the Company's secured order book for its construction division;

(iii) The changes and improvements to the Company's proposed regularisation plan including addition fund raising for the Company's business operations and a proposed profit guarantee of RM6 million profit after taxation (i.e. excluding write off/other income/adjustments not in the ordinary course of business) for 2 consecutive financial years following the successful implementation of the proposed regularisation plan;

(iv) The approval of the secured and unsecured creditors of the Company and its subsidiary companies for the Company's proposed debt settlement which forms part of the proposed regularisation plan; and

(v) The Group's plan to add diversification to its revenue stream.

On 14 February 2013, HLIBB on behalf of the Company had announced that the Company proposes to revise the allocations of the Proposed Private Placement and the Proposed Rights Issue and the terms of the Proposed Set-Off. In addition, the Board of Directors of the Company also decided to undertake a Proposed Exemption (as defined within), pursuant to the revised allocations of the Proposed Private Placement and Proposed Rights Issue.

On 10 July 2013, 19 September 2013 and 25 September 2013 the Company in relation to the application to Bursa Securities for the extension of time to implement the proposed regularisation plan ("EOT Application"). On 5 December 2013, Bursa Securities approved an extension of time until 31 August 2014 to implement its proposed regularisation plan which consists of the following:

(i) The new secured contracts coupled with the existing secured contracts amounting RM650.51 million and the representations by the Company on the strategic collaboration with BCEG International (M) Sdn. Bhd. to jointly participate and undertake construction projects;

(ii) The financial commitment from the Managing Director/substantial shareholder of MLGB, together with the strategic investor in relation to the proposed private placement, proposed right issue with warrants and the profit guarantee, and the Managing Director's financial advances provided to-date and his representations and commitment to provide additional financial advances to the Company; and

(iii) The confirmation from the principal adviser, HLIBB, that the proposed regularisation plan would comply with paragraph 3.1 of Practice Note 17 of the MLR of Bursa Securities.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

In the event the Company fails to implement its regularisation plan within the time frame or extended time frame stipulated by Bursa Securities, the securities of MLGB shall be removed from the Official List of Bursa Securities upon expiry of two (2) market days from the date of notification or such other date specified by Bursa Securities to the Company.

On 25 April 2014 MLGB entered into a profit guarantee agreement with Dato' Beh Hang Kong and LBS Bina Group Berhad and Messrs. Bahari & Bahari, to guarantee a consolidated audited profit after taxation of RM6.0 million of MLGB and its subsidiaries after taking into consideration the operational profit for each of the 2 financial years following the successful implementation of the proposed regularisation plan of MLGB.

On 9 June 2014 MLGB filed an application to the Court to obtain the sanction of the Court for the Proposed Capital Reduction.

On 23 June 2014 the High Court of Malaya at Kuala Lumpur had granted an order confirming the reduction of the issued and paid-up share capital of the MLGB's via the cancellation of RM0.90 of the par value of each share in MLGB pursuant to Section 64 of the Act.

On 2 July 2014 MLGB had been lodged with the Companies Commission of Malaysia for the Proposed Capital Reduction to take effect from RM1.00 to RM0.10 per MLGB share. The shareholders of the Company should note that the par value reduction does not affect the number of or the rights attached to the existing ordinary shares of RM1.00 each held by them. All ordinary shares of MLGB held in the securities account of the shareholders shall be unaffected, except for the reduction in its par value from RM1.00 to RM0.10 per share.

On 14 July 2014 the exercise price of the Warrants has been fixed at RM0.50 per Warrant, being the new par value of MLGB shares after the completion of the Proposed Share Consolidation, represents a premium of approximately 28.21% to the theoretical ex-rights price of RM0.39 based on the theoretical share price upon the completion of the Proposed Share Consolidation of RM0.10 per share.

The Exercise Price of the Warrant was arrived at after taking into consideration, amongst others, the proforma consolidated NA per share after the Regularisation Plan of approximately RM0.36 per MLGB share based on the audited financial statements of the MLGB Group for the FYE 2013, new par value of RM0.50 per share after the completion of the Proposed Share Consolidation and the future prospects of the MLGB Group after the completion of the Regularisation Plan.

The Warrants are attached to the Rights Shares without any cost and will be issued only to the entitled shareholders and/or their renouncee(s) who have successfully subscribed for the Rights Shares.

The proceeds to be raised from the exercise of Warrants are dependent on the total number of Warrants exercised during the tenure of the Warrants. Such proceeds will be used for the working capital of the Group.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2015
(cont'd)

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

On 17 July 2014 the existing issued and paid-up share capital of the Company consisting of 97,486,002 ordinary shares of RM0.10 each in MLGB will be consolidated into 19,497,200 ordinary shares of RM0.50 each in MLGB. The trading of the securities of MLGB has been suspended since 10 April 2012 via a notice by Bursa Securities to MLGB pursuant to Paragraph 8.05(5) of the then Main Market Listing Requirements of Bursa Securities and will remain suspended until the completion of the Restructuring Scheme.

On 22 July 2014 MLGB executed the deed poll constituting the Warrants.

On 24 July 2014 MLGB had issued and allotted the placement shares of 17,000,000 new ordinary shares of RM0.50 each in MLGB together with 8,500,000 free new warrants pursuant to Proposed Private Placement. The Proposed Restructuring Scheme is now pending implementation for the Proposed Rights Issue with Warrants, Proposed Set-Off and Proposed Debt Settlement.

On 15 August 2014 MLGB was submitted an application to seek Bursa Securities' approval for an extension of time of two (2) months until 31 October 2014 to complete the implementation of the proposed regularisation plan pursuant to Paragraph 6.63 of the Main Market Listing Requirements of Bursa Securities.

On 2 September 2014 Bursa Securities had approved MLGB's application for an extension of time until 31 October 2014 to implement its regularisation plan. In the event the Company fails to implement its regularisation plan within the time frame or extended time frame stipulated by Bursa Securities, the securities of MLGB shall be removed from the Official List of Bursa Securities upon expiry of two (2) market days from the date of notification or such other date specified by Bursa Securities to MLGB.

On 1 October 2014, the Abridged Prospectus ("AP") of the Rights Issue with Warrants was made available on Bursa Securities' website. The AP together with the Rights Subscription Form and the Notice of Provisional Allotment will be dispatched to the entitled shareholders on 3 October 2014.

On 17 October 2014 ("Closing Date") for the Right Issue with Warrant, MLBG received total valid acceptances and excess applications for 33,121,841 Rights Shares together with 16,560,920 Warrants. This represents a subscription rate of 90.75% of the total number of 36,497,200 Rights Shares together with 18,248,600 Warrants available for subscription under the Right Issue with Warrants.

In view that the Rights Shares with Warrants has not been fully subscribed for, the Board of Directors of MLGB has decided to allot the Rights Shares with Warrants to all applicants who have applied for the excess Right Shares with Warrants. Further thereto, the remaining 3,375,359 together with 1,687,680 Warrants not subscribed for as at the Closing Date will be subscribed by DBHK and LBGB pursuant to their additional undertakings, thus ensuring that all Rights Shares and Warrants are fully taken up. The Rights Shares and Warrants are expected to be listed on the Main Market of Bursa Securities on 31 October 2014.

The regularisation plan had been completed on 31 October 2014. MLGB made an application to Bursa Securities for the upliftment of the PN17 status of MLGB upon the Company recording 2 consecutive quarterly results of net profits immediately after the completion of the implementation of the Regularisation Plan.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(a) Practice Note 17 (Cont'd)

(iii) Status of plan to regularise condition (Cont'd)

On 9 December 2015, HLIBB on behalf of MLGB has announced that Pursuant to Paragraph 5.2(c) of PN 17 of the Listing Requirements, MLGB is required to record a net profit in 2 consecutive quarterly results immediately after the completion of the implementation of its regularisation plan, namely the FPE 31 March 2015 and FPE 30 June 2015. Notwithstanding the above, it is to be noted that after the adjustments of one-off items from the net profits of the Group for the abovementioned financial quarters, the Group was not able to meet the requirements of the Paragraph 5.2(c) of PN 17 of the Listing Requirements. As such, an application was submitted to Bursa Securities for the modification. Bursa Securities had on 9 December 2015, approved the modification and allowed for the Company to comply with Paragraph 5.2(c) of PN 17 of the Listing Requirements based on the net profit for the 3-months FPE 30 September 2015 and FPE 31 December 2015, being the third and fourth financial quarter of the Company after the completion of the Implementation of the Company's regularisation plan.

Subsequent to the balance sheet date, Bursa Securities has approved the application of MLGB and the PN17 status has been uplifted effective on 11 March 2016.

(b) Disposal of Property located at District of Tuaran, Sabah

On 7 January 2011, MLGB had announced that its wholly-owned subsidiary, Vintage Tiles Industries (EM) Sdn Bhd ("VTIEM") had on 5 January 2011 entered into a Sale and Purchase Agreement ("SPA") with SW 2020 Sdn Bhd (Company No. 861050-M) having its registered address at 3rd Floor, TB 292, Block 30, Fajar Commercial Complex, Jalan Haji Karim, Tawau, Sabah ("SW2020") to dispose of the land held under Country Lease No. 045086379 and measuring a total of 5 acres, 2 roods and 25 perches in the District of Tuaran, Sabah including all structures and buildings erected thereupon ("Land") for a total consideration of Ringgit Malaysia Two Million One Hundred and Fifty Thousand (RM 2,150,000.00) only.

On 12 August 2014, MLGB had announced that the Board has decided to abort the Proposed Disposal via the notice dated 11 August 2014 given to the solicitors of the purchaser as there was no monetary consideration received from the purchaser and without any further mutual conclusion or agreement reached by both parties to date.

As disclosed in the Circular, of the RM 2.15 million gross proceeds to be raised from the Proposed Disposal, RM 2.0 million will be utilised for the repayment of bank borrowing due to Ambank (M) Berhad and AmIslamic Bank Berhad. As such, further to the termination of the SPA, the Company has commenced negotiation with Ambank (M) Berhad to restructure the outstanding bank borrowings.

The termination of the SPA is not expected to have any material effect on the current consolidated earnings and net asset of the MLGB and its subsidiaries for the financial year ending 31 December 2014 save for any interest costs that may be incurred as a results of the restructuring of the outstanding bank borrowings as mentioned above.

On 17 September 2014, MLGB had announced that the Company had on 17 September 2014 accepted the letter of offers from Ambank (M) Berhad ("Ambank") and AmIslamic Bank Berhad ("AmIslamic") dated 17 September 2014 ("Letters") for the restructuring of the outstanding bank borrowings due to Ambank and AmIslamic respectively subject to the relevant terms and conditions as stipulated in the Letters.

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(b) Disposal of Property located at District of Tuaran, Sabah (Cont'd)

On 3 June 2015, MLGB, had announced that its wholly-owned subsidiary, Vintage Tiles Industries (EM) Sdn Bhd had on 3 June 2015 entered into a Sales and Purchase Agreement ("SPA") with SW2020 Sdn Bhd (Co No. 861050-M) (" SW2020 ") to dispose all that parcel of land held under Country Lease No. 045086379 and measuring a total of 5 acres, 2 roods and 25 perches in the District of Tuaran, Sabah including all structures and buildings erected thereupon ("Land") for a total consideration of Ringgit Malaysia Two Million Five Hundred Thousand (RM 2,500,000.00) only (" Proposed Disposal "). Pursuant to the SPA, it is parties' intention that this SPA supersedes the earlier SPA dated 5 January 2011 which has been deemed expired and aborted by the Company on 11 August 2014.

On 30 October 2015, MLGB had announced that the Sale and Purchase Agreement in respect of the Proposed Disposal has been duly completed on 29 October 2015.

(c) Disposal of Property located at Mukin Rawang, District of Gombak, Selangor Darul Ehsan

On 17 February 2015, M&A Securities Sdn Bhd, on behalf of MLGB had announced that on 17 February 2015, Vintage Tiles Industries Sdn Bhd ("VTISB") had entered into a sale and purchase agreement ("SPA") with Finston Sdn Bhd (Company No. 1020457-W) having its place of business at No. 32, Lorong Sungai Puloh 1A/KU6, Taman Teknologi Gemilang, Kawasan Perindustrian Sungai Puloh, 42100 Klang, Selangor Darul Ehsan for the proposed disposal of an industrial property known as Lot PT 6466 held under Title No. H.S (M) 17269, Mukim Rawang, District of Gombak, Selangor Darul Ehsan by VTISB of the Property for a total cash consideration of RM 17,050,000 only ("Disposal Consideration").

An ordinary resolution on the proposed disposal of the property has been held and shareholder approval has been and approved during an Extraordinary General Meeting ("EGM") of MLGB held on 27 May 2015.

On 3 November 2015, MLGB had announced that the Vendor and the Purchaser had on 2 November 2015 agreed to the extension of time until 16 November 2015 for the fulfilment of the Conditions Precedent stated in the SPA dated 17 February 2015.

On 25 November 2015, MLGB had announced that the Vendor and the Purchaser had on 24 November 2015 mutually agreed to the further extension of time until 16 February 2016 for the fulfilment of the Conditions Precedent stated in the SPA dated 17 February 2015.

On 23 February 2016, MLGB had announced that the bank's solicitor had submitted the original title to the Gombak Land Office for the endorsement of title into the category of the use as "Industries" on 22 February 2016. Due to the status of the conversion of category of land title is still pending endorsement from the relevant authority, the Vendor and the Purchaser have mutually agreed to the further extension of time for another one (1) month from 22 February 2016 or upon receive of the endorsement of title from the land office, whichever is earlier, for the fulfilment of the Conditions Precedent stated in the Sales and Purchase Agreement dated 17 February 2015.

On 1 April 2016, the Company announced that the solicitor has vide its letter dated 31 March 2016 informed the Company that the conversion of category of land title has been endorsed by the Land Office as "Light Industrial". As such, the Conditions Precedent stated in the Sale and Purchase Agreement dated 17 February 2015 ("SPA") has been fulfilled ("Unconditional Date"). Further to that, the Completion Date for the SPA shall be three (3) months from the Unconditional Date, i.e by 30 June 2016 and the Extended Completion Date shall be two (2) months from the Completion Date, i.e by 31 August 2016.

32. SUPPLEMENTARY INFORMATION – DISCLOSURE OF REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of the retained profits of the Group and the Company at the end of the reporting period into realised and unrealised profits/(losses) are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:-

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Total retained profits/(accumulated losses) of the Company and its subsidiaries:				
Total retained profits/(accumulated losses) of the Company and its subsidiaries:				
- realised	15,717,144	(27,390,982)	(39,022,360)	(37,880,438)
- unrealised	1,500,000	–	–	–
	17,217,144	(27,390,982)	(39,022,360)	(37,880,438)
Less: Consolidation adjustments	–	–	–	–
At 31 December	17,217,144	(27,390,982)	(39,022,360)	(37,880,438)

ANALYSIS OF SHAREHOLDINGS
as at 31 March 2016

A. SHARE CAPITAL

Authorised Share Capital	:	RM500,000,000.00
Issued and Paid-Up Capital	:	RM44,817,200.00
Class of Shares	:	Ordinary Shares of RM0.50 each
Voting Rights	:	One vote for each ordinary share held

B. DISTRIBUTION OF SHAREHOLDINGS AS AT 31 MARCH 2016

SIZE OF SHAREHOLDINGS	NO. OF HOLDERS	%	NO. OF SHARES	%
1 – 99	4,294	63.927	51,250	0.057
100 - 1,000	1,214	18.073	594,435	0.663
1,001 - 10,000	838	12.475	3,321,448	3.705
10,001 - 100,000	309	4.600	10,028,191	11.187
100,001 – 4,481,719 (*)	59	0.878	27,955,117	31.187
4,481,720 AND ABOVE (**)	3	0.044	47,683,959	53.198
TOTAL	6,717	100.000	89,634,400	100.000

REMARK : * - LESS THAN 5% OF ISSUED SHARES
** - 5% AND ABOVE OF ISSUED SHARES

C. SUBSTANTIAL SHAHOLDERS AND DIRECTORS' SHAREHOLDINGS AS AT 31 MARCH 2016

Substantial Shareholders

		Direct		Indirect	
		No. of Shares Held	Percentage Held	No. of Shares Held	Percentage Held
1	Dato' Beh Hang Kong	26,084,604	29.10	–	–
2	LBS Bina Group Berhad	28,639,623	31.95	–	–
3	Gaterich Sdn Bhd	–	–	28,639,623	31.95 [(a)]
4	Tan Sri Lim Hock San *PSM, SSAP, DSSA, JP*	–	–	28,639,623	31.95 [(a)]
5	Datuk Wira Lim Hock Guan *DCSM, DMSM, PJK, JP*	–	–	28,639,623	31.95 [(a)]
6	Datuk Lim Hock Seong	–	–	28,639,623	31.95 [(a)]
7	Maj (Hon) Dato' Sri Lim Hock Sing	–	–	28,639,623	31.95 [(a)]

[(a)] *Deemed to have interest in LBS Bina Group Berhad pursuant to Section 6A of the Companies Act, 1965*

ANALYSIS OF SHAREHOLDINGS
as at 31 March 2016
(cont'd)

C. SUBSTANTIAL SHAHOLDERS AND DIRECTORS' SHAREHOLDINGS AS AT 31 MARCH 2016 (CONT'D)

Directors' Interests in Shares

		Direct		Indirect	
		No. of Shares Held	**Percentage Held**	**No. of Shares Held**	**Percentage Held**
1	Dato' Abdul Majit bin Ahmad Khan	–	–	–	–
2	Dato' Beh Hang Kong	26,084,604	29.10	–	–
3	Lim Kim Hoe	–	–	–	–
4	Tan Sri Lim Hock San *PSM, SSAP, DSSA, JP*	–	–	28,639,623	31.95 [(a)]
5	Datuk Wira Lim Hock Guan *DCSM, DMSM, PJK, JP*	–	–	28,639,623	31.95 [(a)]
6	Chin Sui Yin	–	–	–	–
7	Heng Chee Wei (AMP)	–	–	–	–
8	Datuk Tan Choon Hwa (JMK, JP)	106,000	0.12	–	–

[(a)] *Deemed to have interest in LBS Bina Group Berhad pursuant to Section 6A of the Companies Act, 1965*

ANALYSIS OF SHAREHOLDINGS
as at 31 March 2016
(cont'd)

D. LIST OF TOP 30 LARGEST SECURITIES ACCOUNTS HOLDERS (ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 31 MARCH 2016)

No.	Name	Shares Held	Percentage
1.	M & A NOMINEE (TEMPATAN) SDN BHD BAHARI & BAHARI FOR LBS BINA GROUP BERHAD	21,509,623	23.997
2.	M & A NOMINEE (TEMPATAN) SDN BHD BAHARI & BAHARI FOR DATO' BEH HANG KONG	19,044,336	21.246
3.	LBS BINA GROUP BERHAD	7,130,000	7.954
4.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DATO' BEH HANG KONG	3,569,840	3.982
5.	DATO' BEH HANG KONG	3,209,188	3.580
6.	LEONG KOK WAH	2,619,516	2.922
7.	GOH PHAIK LYNN	1,880,000	2.097
8.	CHEAH SUAN LEE	1,387,438	1.547
9.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GANGSA MEWAH SDN BHD (MARGIN)	1,333,000	1.487
10.	LU THIAN TACK	1,200,080	1.338
11.	PANG SHEE PAK	1,027,960	1.146
12.	LAU CHEE TAT	1,009,000	1.125
13.	ABU SUJAK BIN MAHMUD	884,696	0.987
14.	CMCM PERNIAGAAN SDN BHD	831,963	0.928
15.	YAP MEE MEE	500,000	0.557
16.	DAUD BIN ABD RAHMAN	483,597	0.539
17.	GOH GEE KIM	414,000	0.461
18.	SAMSUDDIN BIN ISMAIL	380,000	0.423
19.	KOH SOH HONG	355,800	0.396
20.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DATO' BEH HANG KONG (8026695)	261,240	0.291
21.	LIM CHIM CHUAN	252,000	0.281
22.	CHONG YING CHOY	250,000	0.278
23.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR TAN KWANG KUI (MQ0002)	220,000	0.245
24.	IPOH SECURITY SDN BHD	218,954	0.244
25.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR OOI PENG CUAN (PB)	200,000	0.223
26.	MEH KOK CHAU	200,000	0.223
27.	LOW KIM CHUN	197,000	0.219
28.	KHOO KING HUAT	193,375	0.215
29.	TAN KWANG KUI	184,920	0.206
30.	LUI AH NGAU @ LUI WIN SOONG	183,100	0.204
	TOTAL	71,130,626	79.356

ANALYSIS OF WARRANT HOLDINGS
as at 31 March 2016

A. WARRANTS

Issued Size	:	26,748,600 Free detachable warrants issued pursuant to the Private Placement and Rights Issue with Warrants
Number of Warrants Holders	:	587

B. DISTRIBUTION OF WARRANT HOLDINGS AS AT 31 MARCH 2016

SIZE OF SHAREHOLDINGS	NO. OF HOLDERS	%	NO. OF WARRANTS	%
1 – 99	23	3.918	830	0.003
100 - 1,000	253	43.100	134,223	0.501
1,001 - 10,000	193	32.879	775,032	2.897
10,001 - 100,000	102	17.376	3,319,017	12.408
100,001 – 1,337,429 (*)	14	2.385	3,831,813	14.325
1,337,430 AND ABOVE (**)	2	0.340	18,687,685	69.864
TOTAL	**587**	**100**	**26,748,600**	**100**

REMARK : * - LESS THAN 5% OF ISSUED WARRANTS
** - 5% AND ABOVE OF ISSUED WARRANTS

C. SUBSTANTIAL WARRANTS HOLDERS AND DIRECTORS' WARRANTS HOLDINGS AS AT 31 MARCH 2016

Substantial Warrant Holders

		Direct		Indirect	
		No. of Warrants Held	Percentage Held	No. of Warrants Held	Percentage Held
1	Dato' Beh Hang Kong	10,479,941	39.18	–	–
2	LBS Bina Group Berhad	9,165,514	34.27	–	–
3	Gaterich Sdn Bhd	–	–	9,165,514	34.27 [(a)]
4	Tan Sri Lim Hock San *PSM, SSAP, DSSA, JP*	–	–	9,165,514	34.27 [(a)]
5	Datuk Wira Lim Hock Guan *DCSM, DMSM, PJK, JP*	–	–	9,165,514	34.27 [(a)]
6	Datuk Lim Hock Seong	–	–	9,165,514	34.27 [(a)]
7	Maj (Hon) Dato' Sri Lim Hock Sing	–	–	9,165,514	34.27 [(a)]

[(a)] *Deemed to have interest in LBS Bina Group Berhad pursuant to Section 6A of the Companies Act, 1965*

ANALYSIS OF WARRANT HOLDINGS
as at 31 March 2016
(cont'd)

C. SUBSTANTIAL WARRANTS HOLDERS AND DIRECTORS' WARRANTS HOLDINGS AS AT 31 MARCH 2016 (CONT'D)

Directors' Interests in Warrants

		Direct		Indirect	
		No. of Warrants Held	**Percentage Held**	**No. of Warrants Held**	**Percentage Held**
1	Dato' Abdul Majit bin Ahmad Khan	–	–	–	–
2	Dato' Beh Hang Kong	10,479,941	39.18	–	–
3	Lim Kim Hoe	–	–	–	–
4	Tan Sri Lim Hock San *PSM, SSAP, DSSA, JP*	–	–	9,165,514	34.27 [(a)]
5	Datuk Wira Lim Hock Guan *DCSM, DMSM, PJK, JP*	–	–	9,165,514	34.27 [(a)]
6	Chin Sui Yin	–	–	–	–
7	Heng Chee Wei (AMP)	–	–	–	–
8	Datuk Tan Choon Hwa (JMK, JP)	26,500	0.10	–	–

[(a)] *Deemed to have interest in LBS Bina Group Berhad pursuant to Section 6A of the Companies Act, 1965*

ANALYSIS OF WARRANT HOLDINGS
as at 31 March 2016
(cont'd)

D. LIST OF TOP 30 LARGEST WARRANTS ACCOUNTS HOLDERS (ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 31 MARCH 2016)

No.	Name	Shares Held	Percentage
1.	M & A NOMINEE (TEMPATAN) SDN BHD BAHARI & BAHARI FOR DATO' BEH HANG KONG	9,522,171	35.598
2.	M & A NOMINEE (TEMPATAN) SDN BHD BAHARI & BAHARI FOR LBS BINA GROUP BERHAD	9,165,514	34.265
3.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DATO' BEH HANG KONG	892,460	3.336
4.	LEONG KOK WAH	654,879	2.448
5.	GOH PHAIK LYNN	470,000	1.757
6.	TEO MENG HAI	235,000	0.878
7.	ABU SUJAK BIN MAHMUD	221,174	0.826
8.	TEE KOK KIAT	213,300	0.797
9.	LEE YOK CHAN	200,000	0.747
10.	CHONG CHING YEE	198,000	0.740
11.	TAN ENG HOCK	155,000	0.579
12.	LOOI WENG CHIEN	146,000	0.545
13.	TAN CHEWI LAN	137,100	0.512
14.	CIMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SEE LAY HONG (J D HAMZAH-CL)	104,900	0.392
15.	GOH GEE KIM	103,500	0.386
16.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GANGSA MEWAH SDN BHD (MARGIN)	100,500	0.375
17.	LU THIAN TACK	100,000	0.373
18.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIA TUAN HENG	100,000	0.373
19.	SIM YEE FUAN	100,000	0.373
20.	PEEH KEAN CHING	90,400	0.337
21.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PHANG SOO FERN	90,000	0.336
22.	MAYBANK NOMINEES (TEMPATAN) SDN BHD LEE SHIN YING	90,000	0.336
23.	HUACOM SDN. BHD.	80,000	0.299
24.	ONG TEE PAAN	71,100	0.265
25.	HLIB NOMINEES (TEMPATAN) SDN BHD HONG LEONG BANK BHD FOR LIM KAI SIEN	70,700	0.264
26.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DATO' BEH HANG KONG (8026695)	65,310	0.244
27.	LOK WEI SEONG	58,700	0.219
28.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR TAN KWANG KUI (MQ0002)	55,000	0.205
29.	TAN CHIN HOOI	54,500	0.203
30.	GAN PEI FEN	53,400	0.199
	TOTAL	**23,598,608**	**88.223**

LIST OF PROPERTIES

Registered Owner	Title / Location	Description	Existing Use	Approximate Land Area	Approximate Built-up Area	Tenure	Date of acquisition / last evaluation	Approximate age of building	Net book value as at 31 December 2014 (RM'000)
VTI	HS (D) 43658 PT 633 / Lot 12021, Kawasan Perindustrian Nilai FASA 1, 71800 Nilai, Negeri Sembilan, Malaysia	Industrial land with a single storey detached factory building and ancillary buildings	Industrial	348,741 sq ft	73,627 sq ft	Leasehold 60 years expiring on 27 September 2045	8 March 2002	13 years	7,061
VTI	HS (D)LP6762 - 6771 No. PT 2539 - 2548, Langkap Light Industrial Park, Jalan Chui Chak, 36700 Langkap, Perak, Malaysia	Industrial land with a single storey detached factory, single storey office block and ancillary buildings	Industrial	236,739 sq ft	97,721 sq ft	Leasehold 60 years expiring on 29 November 2053	4 June 2002	19 years	6,650
VTI	Lot 677, Rawang Hi-Tech Industrial Park, Mukim Rawang, Daerah Gombak, Selangor Darul Ehsan, Malaysia	Industrial land with a single storey detached factory, two storey office block and ancillary buildings	Industrial	304,069 sq ft	47,418 sq ft	Freehold	18 December 2001	10 years	7,236

ML GLOBAL BERHAD
(589167-W)

NUMBER OF SHARES HELD	CDS ACCOUNT NO.

Proxy Form

I / We *(Full Name in Block Letters)* ____________________

NRIC No. / Passport No. / Company No. ____________________

of ____________________

being a member / members of ML Global Berhad hereby appoint ____________________

____________________ NRIC No. / Passport No. ____________________

of ____________________

and/or ____________________

of ____________________

NRIC No. / Passport No. ____________________

or failing *him/her, the Chairman of the meeting as my / our proxy to vote and act on my / our behalf at the Fourteenth (14th) Annual General Meeting of ML Global Berhad ("MGB" or "the Company") will be held at Crystal Hall 2, Level 4, Crystal Crown Hotel Petaling Jaya, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan on Friday, 17 June 2016 at 10.00 a.m. and at any adjournment thereof.

NO.	RESOLUTIONS	FOR	AGAINST
	Ordinary Resolutions		
1.	To receive the Audited Financial Statements for the financial year ended 31 December 2015 and Reports of the Directors' and Auditors thereon.		
2.	To approve the payment of Directors' fees of RM162,000.00 to the non-executive directors of the Company.		
3.	To re-elect Dato' Abdul Majit Bin Ahmad Khan as Director.		
4.	To re-elect Dato' Beh Hang Kong as Director.		
5.	To re-elect Datuk Tan Choon Hwa (JMK, JP) as Director.		
6.	To appoint Messrs UHY as Auditors of the Company and to authorise the Directors to fix their remuneration.		
	As Special Business :-		
7.	To approve the ordinary resolution pursuant to Section 132D of the Companies Act, 1965.		
8.	To approve the Proposed Shareholders' Mandate.		

(Please indicate with 'X' how you wish to cast your vote. In the absence of specific directions, the proxy may vote or abstain from voting on the resolutions as he/she may think fit.)

Signed this __________ day of ____________________, 2016.

Signature : ____________________
(If shareholder is a corporation, this form should be executed under seal)

The proportions of my/our holdings to be represented by my/our proxies are as follows:-

First Proxy
No. of Shares: ……………

Percentage : ……………….%

Second Proxy
No. of Shares: ……………

Percentage : ……………….%

NOTES:

1. A member entitled to attend and vote at the general meeting is entitled to appoint up to two (2) proxies to attend and vote in his place. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
3. Where a member of the Company is an exempt authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A(1) of the Central Depositories Act 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 Form of Proxy must be signed by the appointor or his attorney duly authorised in writing or in the case of a corporation, be executed under its common seal or under the hand of its attorney duly authorised in writing.
5. The Form of Proxy or other instruments of appointment must be deposited at Suite 10.03, Level 10, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur at least 48 hours before the time fixed for holding the meeting or any adjournment thereof.
6. For the purpose of determining a member who shall be entitled to attend the Fourteenth (14th) AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 10 June 2016. Only members whose name appears on the Record of Depositors as at 10 June 2016 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

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AFFIX
STAMP

THE COMPANY SECRETARY

ML GLOBAL BERHAD (Company No. 589167-W)
Suite 10.03, Level 10, The Gardens South Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur

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REQUISITION FORM

To:
The Company Secretary
ML Global Berhad (Company No. 589167-W)
Suite 10.03, Level 10
The Gardens South Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur

REQUEST FORM FOR HARD COPY OF THE ANNUAL REPORT 2015

I/We wish to request for a hard copy of the Annual Report 2015 of ML Global Berhad to be sent to me/us at the following address:

Name of shareholders : ______________________________

____

CDS Account No : ______________________________

Address : ______________________________

____

____

____

____

Tel : ______________________________

Handphone : ______________________________

______________________________ Signature/Common Seal of Shareholder(s)

______________________________ Date

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AFFIX
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THE COMPANY SECRETARY

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www.mlglobal.com.my

ML GLOBAL BERHAD
(Company No.: 589167-W)

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