JOHORE TIN BERHAD

COMPANY NO:532570-V
INCORPORATED IN MALAYSIA

ANNUAL REPORT 2013

Contents

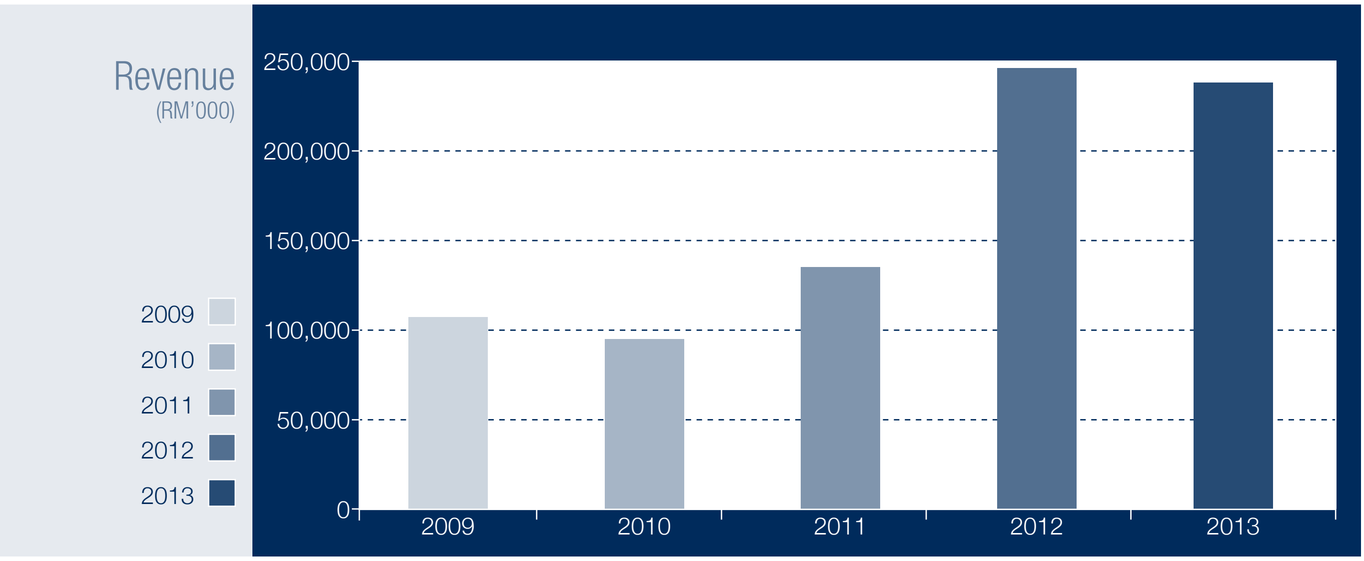
Financial Highlights

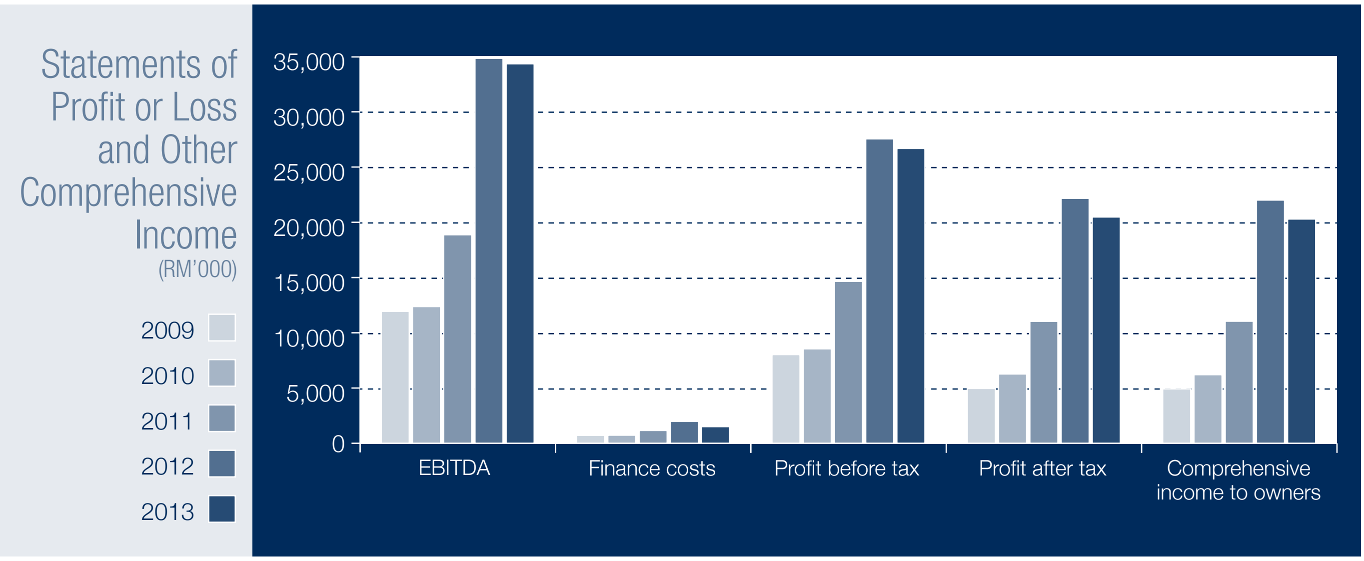
Statements of Profit or Loss and Other Comprehensive Income:	2009 RM'000	2010 RM'000	2011 RM'000	2012 RM'000	2013 RM'000
Revenue	107,314	95,563	134,215	246,361	241,384
EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation)	11,939	12,378	18,877	34,946	33,791
Finance costs	724	734	1,163	1,982	1,549
Profit before tax	8,033	8,551	14,659	27,555	27,147
Profit after tax	4,965	6,273	11,038	22,891	20,520
Comprehensive income attributable to the owners	4,925	6,211	11,048	22,817	20,394

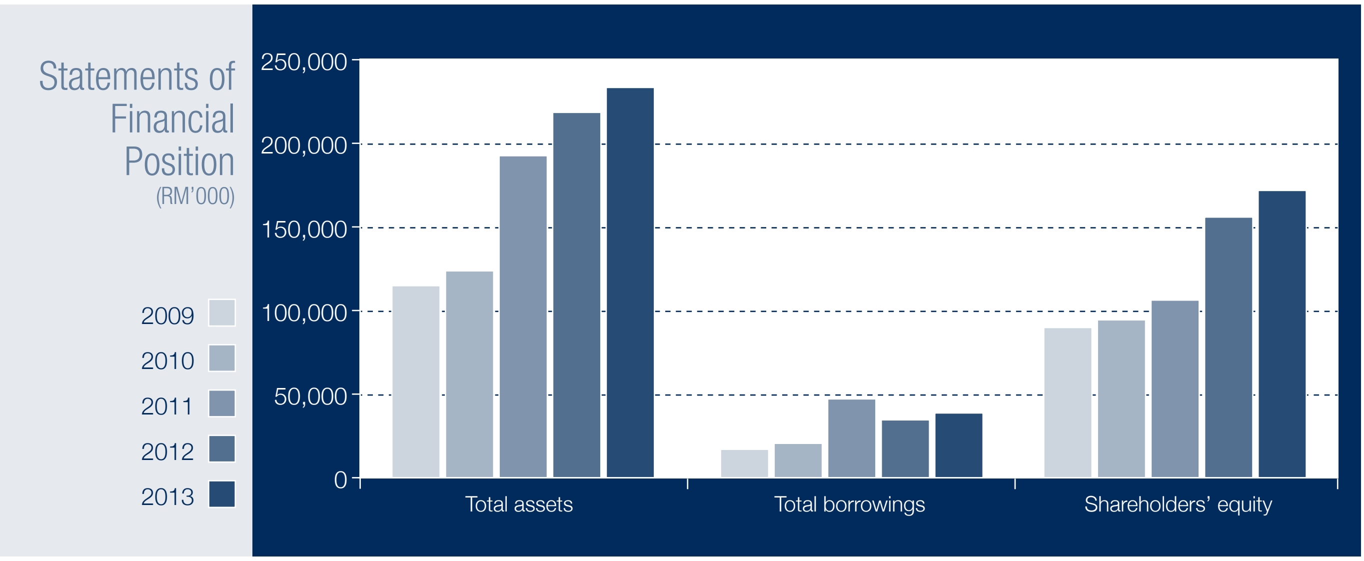
Statements of Financial Position:	2009 RM'000	2010 RM'000	2011 RM'000	2012 RM'000	2013 RM'000
Total assets	114,840	123,711	192,577	218,493	231,193
Total borrowings	16,982	20,555	47,131	34,600	35,813
Shareholders' equity	89,846	94,407	106,226	155,871	169,747

Financial Indicators:	2009	2010	2011	2012	2013
Return on equity (%)	5.53	6.64	10.39	14.69	12.13
Return on total assets (%)	4.32	5.07	5.73	10.48	8.91
Gearing ratio (%)	18.90	21.77	44.37	22.20	21.10
Interest cover (times)	16.49	16.86	16.23	17.63	20.39
Earnings per share (sen)	7.53	9.51	16.56	30.86	22.07
Net assets per share (RM)	1.36	1.43	1.52	1.67	1.82
Gross dividend per share (sen)	2.50	3.50	3.80	4.20	5.00
Gross dividend yield (%)	4.63	5.38	5.14	2.53	2.99
Price Earnings (PE) ratio	7.18	6.84	4.47	5.38	7.57
Share price as at the end of financial year (RM)	0.54	0.65	0.74	1.66	1.67

Financial Highlights (cont'd)

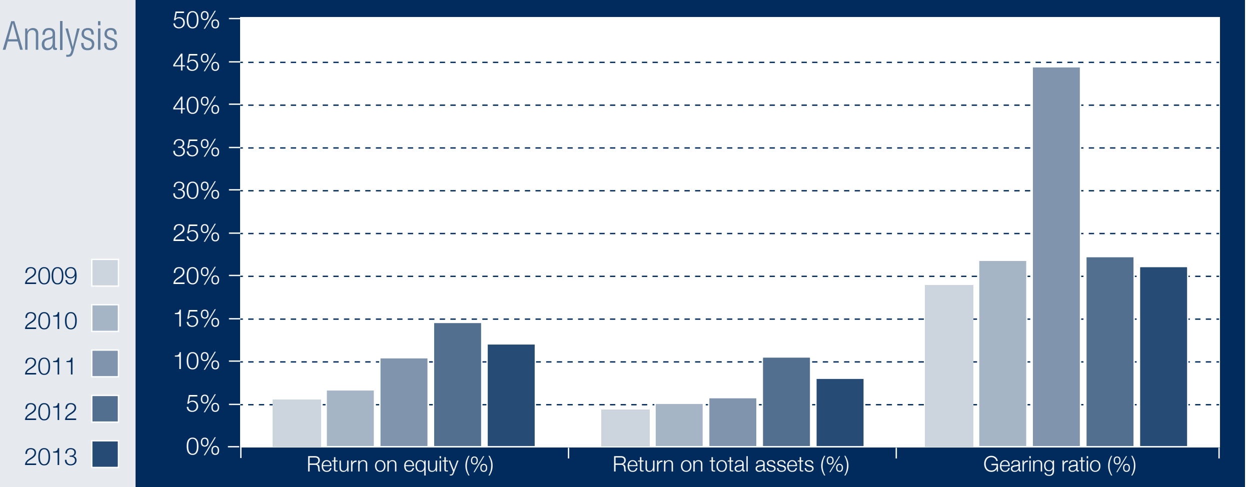




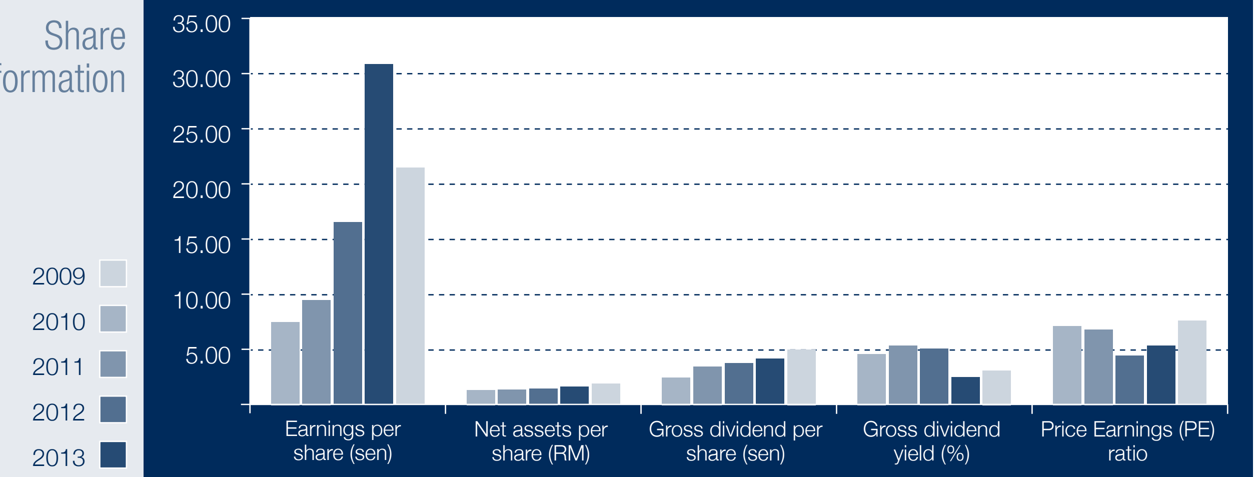


Financial Highlights (cont'd)

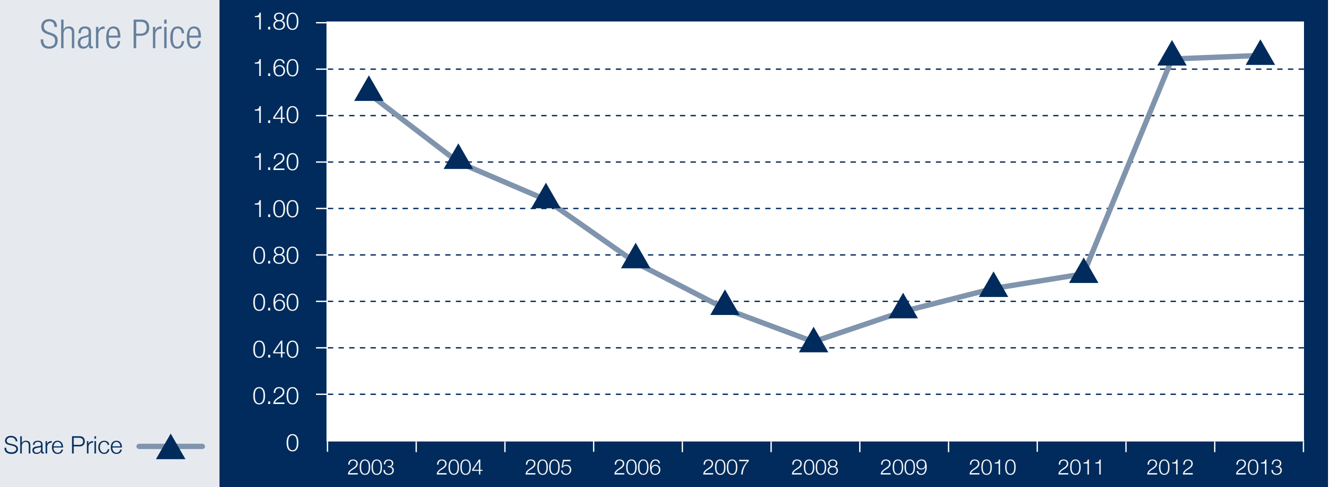
Ratio Analysis



Share Information



Share Price



Statement on Management Discussion and Analysis

This statement is to give investors and shareholders a better understanding of the Group's business, operations and financial position. In line with the corporate disclosure guide issued by Bursa Malaysia, the Board is pleased to present the following statement for the financial year ended 31 December 2013.

1. OVERVIEW OF BUSINESS AND OPERATIONS, OBJECTIVES AND STRATEGIES

A. Business and Operations

From the Group's perspective, the principal activities are primarily involved in the manufacturing of various tins, cans and other containers and printing of tinplates, as well as manufacturing and selling of milk and other related dairy products.

The Group's organisation and corporate structure is included in page 9 of this Annual Report.

For the tin manufacturing segment, most of the customers are locally based with minority in Singapore market. They consist of various industries mainly in biscuit industry, paint and chemical industry, edible oil industry and food processing industry.

Whilst for F&B segment, majority of the customers are from overseas, mainly in West Africa and South East Asia Region. The dairy products produced by the Group comprise sweetened condensed milk, evaporated milk as well as milk powder in both bulk and consumer packs.

B. Objectives and Strategies

The Board seizes any short term opportunities, however without compromising the Group's long term business objectives. Thus, the Board is reviewing and monitoring the financial performance of the Group closely.

The Group's objectives include compliance with local statutory and regulatory requirements, maintain high quality of products and high level of customer satisfaction, as well as to achieve the Good Manufacturing Practice ("GMP") standards and in order to fulfil customer product safety requirement.

In order to achieve the Group's business objectives, Management is required to oversee the day-to-day operations, ensuring lower wastage and rejection rate. The Management responsibilities include ensuring all the production schedules are planned, periodical maintenance services on equipment and machineries are done accordingly, regular meeting relating to production matters and improvement are carried out as well as continuous innovation of new products.

2. REVIEW OF FINANCIAL RESULTS

For the current year under review, the Group achieved the revenue of RM241.38 million against previous year's revenue of RM246.36 million. The decrease in revenue of RM4.98 million was mainly due to lower demand in dairy market. The profit before tax has decreased slightly by RM0.4 million to RM27.15 million from RM27.55 million.

For the tin manufacturing segment, the revenue increased slightly by RM1.04 million to RM83.07 million due to higher demand from customers who are in edible oil industry. On the other hand, the revenue for F&B segment decreased by RM6.02 million to RM158.31 million mainly due to decreased in demand.

The profit before tax, of the tin manufacturing segment, increased by RM0.5 million to RM11.2 million, mainly due to lower in operating costs. Whilst for F&B segment, the profit before tax decreased by RM1.53 million to RM17.5 million due to higher impairment losses on receivables recognised in profit or loss.

Other financial and non-financial indicators are highlighted in pages 2 to 4 of this Annual Report.

3. REVIEW OF OPERATING ACTIVITIES

The following are the main factors that may affect the operating activities of the Group:

A. Business Risk

The Group are principally involved in the manufacturing of various tins, cans and other containers and printing of tinplates, as well as the manufacturing and selling of milk and other related dairy products. The revenue and operating results could be adversely affected by many factors which include, amongst others, increases in the cost of raw materials and increases in the cost of labour.

The Group attempts to mitigate these risks by continuously monitoring the prices of key raw materials, expanding the pool of suppliers and customers whilst continuing to establish long term business relationship with the existing suppliers and customers, expanding the existing business by capturing the strength of the Group's reputation and developing new products. There is no assurance that any changes to the above factors will not materially affect the performance of the Group as a whole.

B. Political, Economic and Regulatory Considerations

The Group's business, prospects, financial condition and level of profitability may be affected by developments in the economic, political and regulatory environment in Malaysia and the other countries in which the Group's products have market presence. Any adverse developments or uncertainties in these factors could materially or adversely affect the profitability and business prospects of the Group.

Political and economic uncertainties include (but are not limited to) risk of war, global economic downturn, expropriation, nationalisation, changes in political leadership, changes in investment policies, unfavourable changes in government policies such as changes in interest rates, method of taxation, exchange controls or the introduction of new regulations, import duties and tariffs and re-negotiation or nullification of existing contracts.

The Group will continue to adopt effective measures such as prudent management and efficient operating procedures to mitigate these factors. However, there can be no assurance that adverse economic, political and regulatory changes will not materially affect the Group's business.

C. Competition Risks

The Group faces competition from both new entrants and existing players which offer similar products. High product quality, manufacturing efficiency, marketing, reasonable pricing and range of products are critical factors towards ensuring the success and sustainability of the business.

The Group will continue to take strategic measures and continuous review of the operational efficiency to move ahead of competition by addressing the factors above. Whereas for the F&B segment, the barriers to entry are mainly the relative high capital investment to set up the manufacturing facilities, established distribution channels, compliance with stringent safety standards and strong research and development capabilities.

As the Group already has existing manufacturing plants with established distribution channels, the Group does not foresee immediate threat of new entrants that will significantly affect the Group's business. Notwithstanding the above, there can be no assurance that the Group will be able to maintain its market share.

D. Foreign Exchange Risks

The Group is exposed to foreign exchange risks on sales and purchases that are denominated in a currency other than Ringgit Malaysia ("RM"). The currencies giving rise to this risk are primarily United States Dollar ("USD").

The Group will continue to evaluate the need of utilising financial instruments to hedge the currency exposure, taking into consideration the currency involved, exposure period and transaction costs. There can be no assurance that any change in exchange rates will not have a material or adverse effect on the financial position and performance of the Group.

3. REVIEW OF OPERATING ACTIVITIES (Cont'd)

E. Dependence on Key Management and Skilled Personnel

The Group's continued success will depend to a certain extent upon the skills, experiences, abilities and continued efforts of the key management personnel. The loss of key management personnel in the Group may have an adverse impact on the performance of the Group.

The Group recognises the importance of attracting and retaining the key management personnel to support the business operations. The Group presently has in place, human resources strategies which include providing competitive and performance-based remuneration and providing employees with a variety of on-going training programmes to upgrade their knowledge and capabilities.

However, we cannot provide any assurance that the above measures will be successful in attracting and retaining the key management personnel.

4. FORWARD-LOOKING STATEMENTS

Overall, the Group is seeking steady growth in the near future despite the volatility of raw material prices and the economic uncertainties. With the diversification into F&B segment and upgrading of existing machineries, the Group is expected to maintain its market share with the existing customer base and enhance its capacity and product quality for better customer satisfaction.

For the tin manufacturing segment, demand is expected to grow marginally and steadily in this matured industry. With the newly acquired six (6)-colour printing machine line and upgrading of existing machineries, the growth is expected to be achieved by enhancing its production capacity and quality of the products.

For the F&B segment, the revenue and profits are expected to remains constant due to the competitiveness in F&B market. By expanding its production facilities with the purchase of land and the construction of factory and warehouse, we will be able to expand our capacity and improve our workflow in order to be more efficient and competitive.

With the above, the Group would be able to take up new orders and cater to existing and new customers' demand in both existing markets and new potential markets. The Group sees its competitive edge in penetrating the new foreign markets via trade shows as well as through other traders and distributors.

Barring any unforeseen circumstances, the Board believes that the prospects and future financial performance of the Group is expected to be favourable.

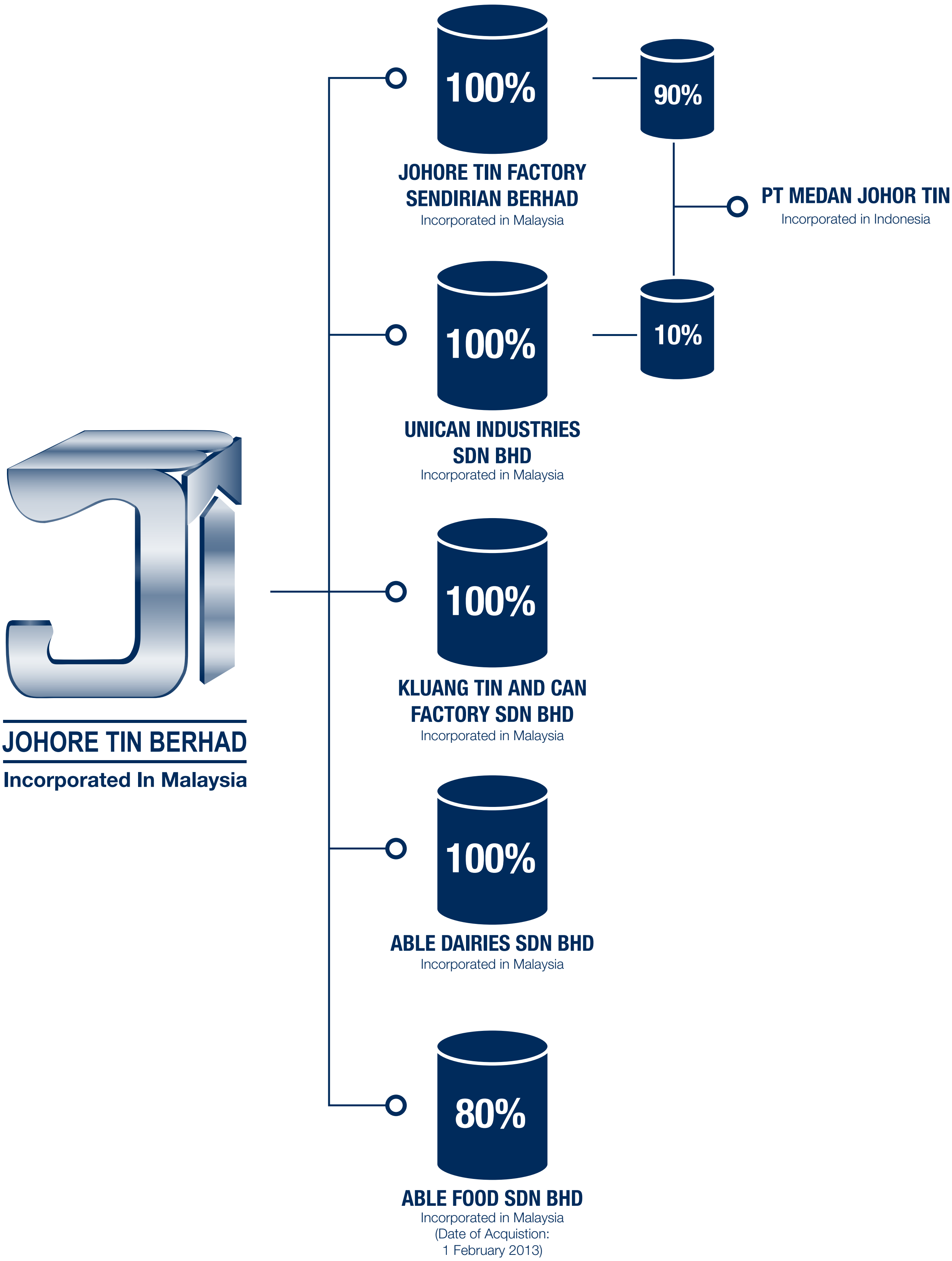
This forward-looking statement is based on current expectations and assumptions made by the Board through the analysis of historical information and trends. The Board is under no obligation to and expressly disclaims any obligation to, update or alter its forward-looking statements, whether as a result of new information, subsequent events or otherwise.

This statement is made in accordance with a Board resolution dated 7 May 2014.

Corporate Information

Board of Directors	:	Datuk Kamaludin Bin Yusoff (Chairman/Independent Non-Executive Director) Mr. Edward Goh Swee Wang (Chief Executive Officer) Mr. Yeow Ah Seng @ Yow Ah Seng (Executive Director) Mr. Lim Chin Kai (Independent Non-Executive Director) En. Muhamad Feasal Bin Yusoff (Senior Independent Non-Executive Director) Mr. Lim Hun Swee (Executive Director) Mr. Siah Chin Leong (Independent Non-Executive Director, appointed on 18 March 2014) Ms. Ng Lee Thin (Independent Non-Executive Director, appointed on 6 May 2014)
Audit Committee	:	Mr. Lim Chin Kai (Chairman) En. Muhamad Feasal Bin Yusoff Datuk Kamaludin Bin Yusoff
Remuneration Committee	:	Mr. Lim Chin Kai (Chairman) Mr. Edward Goh Swee Wang En. Muhamad Feasal Bin Yusoff
Nomination Committee	:	En. Muhamad Feasal Bin Yusoff (Chairman) Mr. Lim Chin Kai Datuk Kamaludin Bin Yusoff
Risk Management Committee	:	Mr. Lim Chin Kai (Chairman) Mr. Edward Goh Swee Wang Mr. Lim Hun Swee Mr. Hoo Joo Chuan (Factory Manager) Mr. Teo See Chee (General Manager)
Company Secretary	:	Ms. Yong May Li (LS0000295)
Auditors	:	Crowe Horwath Chartered Accountants 30-04, Level 30, Menara Landmark 12, Jalan Ngee Heng 80000 Johor Bahru, Johor Tel: +60(7) 278 1268 Fax: +60(7) 278 1238
Share Registrar	:	Tricor Investor Services Sdn. Bhd. Level 17, The Gardens North Tower Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Tel: +60(3) 2264 3883 Fax: +60(3) 2282 1886
Registered Office	:	Suite 1301, 13th Floor City Plaza, Jalan Tebrau 80300 Johor Bahru, Johor Tel: +60(7) 335 4988 Fax: +60(7) 335 4977
Principal Bankers	:	Public Bank Berhad Hong Leong Bank Berhad AmBank (M) Berhad United Overseas Bank (Malaysia) Bhd
Stock Exchange Listing	:	Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities")
Website	:	http://www.johoretin.com.my

Corporate Structure



Chairman's Letter to Shareholders

On behalf of the Board of Directors of Johore Tin Berhad ("JTB"), I would like to present the Annual Report and Audited Financial Statements for the financial year ended 31 December 2013.

FINANCIAL REVIEW

JTB Group's consolidated revenue for the year under review decreased slightly to RM241.38 million from RM246.36 million in year 2012. Profit before tax remained constant at RM27 million.

However, the profit after tax for the financial year ended 31 December 2013 decreased to RM20.52 million from RM22.89 million in year 2012.

DIVIDEND

The Board of Directors is pleased to announce the propose final single-tier dividend of 2.0 sen per ordinary share for the year ended 31 December 2013, subject to the shareholders' approval at the forthcoming Annual General Meeting of JTB.

This proposed final dividend is the second dividend for the year 2013, further to the first interim dividend of 3.0 sen per ordinary share paid out on 30 December 2013.

If this proposed final dividend is approved, the total dividend for the financial year ended 31 December 2013 will be 5.0 sen per ordinary share.

PROSPECT IN PACKAGING SEGMENT

Demand for steel cans and tins is expected to grow at a low but stable rate. With steel price remaining fairly constant in recent years and with not much pressure for upward swing, we expect the can-making division of JTB to perform steadily for the coming year.

PROSPECT IN FOOD AND BEVERAGE SEGMENT

Demand remained strong for dairy products over 2013 and it is expected to continue in 2014.

The challenge will be riding the volatile tide of global dairy powder prices that are proving to be very difficult to predict. Production efficiency will be the other factor that needs to be fine tune in this very competitive market. With good support from existing customers and our marketing team effort in identifying new customers, we still believe that our F&B segment will continue to be profitable.

APPRECIATION

On behalf of the Board of Directors, our sincere appreciation to our customers, bankers, business partners and shareholders for their support and cooperation extended to us.

And to our dedicated staffs on all levels, we thank all of you in making 2013 a successful year for JTB.

Finally, to the members of the Board, my utmost gratitude for your guidance and assistance in helping me to chair the Board of JTB.

I would like to take this opportunity to extend a special appreciation to our two (2) members of the Board who will be stepping down after the AGM. Mr. Lim Chin Kai and En. Muhamad Feasal Bin Yusoff have decided to step down as they have served for more than nine (9) years on the Board as Independent Non-Executive Directors. It is with heavy hearts that the Board of Directors accepted their decisions.

My deepest appreciation to both of them for their help, guidance and friendship during their tenure.

Thank you.

DATUK KAMALUDIN BIN YUSOFF
Independent Non-Executive Chairman

Dated: 2 June 2014

Profile of Directors

	Datuk Kamaludin Bin Yusoff	Edward Goh Swee Wang
Position	Chairman / Independent Non-Executive Director	Chief Executive Officer
Age	66	51
Nationality	Malaysian	Malaysian
Qualification	Bachelor of Arts (Hons) in History, University Malaya, Kuala Lumpur, 1974	Business Administration and Mechanical Engineering
Working experience & occupation	- Started his career as Administrative & Diplomatic Officer in the public sector in 1974 and has served in various positions with Ministry of Finance, Ministry of Defence, Road Transport Department and Ministry of Entrepreneur Development	- Holds a Bachelor of Science Degree in Mechanical Engineering and a Master Degree in Business Administration from the Oklahoma State University, United States of America - More than 20 years of working experience in tin can industry - Oversees company planning, development, marketing and overall management
Date of Appointment	11 August 2008 26 April 2010 (Chairman)	31 December 2002
Other directorships of public listed companies	Yoong Onn Corporation Berhad	No
Membership of Board Committees	Member of Audit Committee and Nomination Committee	Member of Remuneration Committee and Risk Management Committee
Family relationship with any director and/or major shareholder of Johore Tin Berhad (“JTB”)	No	Son to Mr. Goh Mia Kwong who is a major shareholder of JTB
Conflict of interest with JTB, if any	No	No
Convictions for offences within the past 10 years other than traffic offences	No	No
No. of Board Meetings attended in the financial year	4	4

	Yeow Ah Seng @ Yow Ah Seng	**Lim Hun Swee**
Position	Executive Director	Executive Director
Age	61	62
Nationality	Malaysian	Singaporean
Qualification	Supervision of factory operations and sales	Management of factory operation
Working experience & occupation	- Started his career in the tin can manufacturing industry since 1983 - Joined Kluang Tin And Can Factory Sdn. Bhd. in 1988 as Executive Director	- 20 years' experience as Managing Director of In-Comix Food Industries Sdn. Bhd. and retired from the position since July 2009
Date of Appointment	31 December 2002	26 August 2010
Other directorships of public listed companies	No	No
Membership of Board Committees	N/A	Member of Risk Management Committee
Family relationship with any director and/or major shareholder of JTB	No	No
Conflict of interest with JTB, if any	No	No
Convictions for offences within the past 10 years other than traffic offences	No	No
No. of Board Meetings attended in the financial year	4	4

	Muhamad Feasal Bin Yusoff	**Lim Chin Kai**
Position	Senior Independent Non-Executive Director	Independent Non-Executive Director
Age	44	56
Nationality	Malaysian	Malaysian
Qualification	Chartered Accountancy	Business Administration and Mechanical Engineering
Working experience & occupation	- Member of the Malaysian Institute of Accountants ("MIA") - Graduated with a Bachelor of Arts (Hons) majoring in Accounts and Finance from Manchester Metropolitan University, UK - Joined Deloite Touche Tohmatsu in 1995, he then moved to Ernst & Young - Setting up his own practice, Feasal & Co in 2003	- Holds a Bachelor of Science in Mechanical Engineering from the Oklahoma State University, USA and a Master Degree of Business Administration from the University of San Francisco, USA - Joined Walden International Investment Group as Assistant Vice President in 1995. Subsequently, joined Megachem Ltd in 1996 as General Manager and resigned in 2005 as Corporate Services and Investment Director. Later, joined AvantChem Pte. Ltd. as General Manager/Director and resigned in March 2007 - Currently has ventured into his own business as a Private Investor
Date of Appointment	31 December 2002	31 December 2002
Other directorships of public listed companies	No	No
Membership of Board Committees	Chairman of Nomination Committee, Member of Audit Committee and Remuneration Committee	Chairman of Audit Committee, Remuneration Committee and Risk Management Committee, Member of Nomination Committee
Family relationship with any director and/or major shareholder of JTB	No	No
Conflict of interest with JTB, if any	No	No
Convictions for offences within the past 10 years other than traffic offences	No	No
No. of Board Meetings attended in the financial year	4	4
	Note: En. Muhamad Feasal Bin Yusoff who has served as an Independent Non-Executive Director for more than 9 years and will also be retiring in accordance with Article 120 of the Company's Articles of Association, has informed that he will not seek for re-election in line with the recommendations in the Malaysian Code on Corporate Governance ("MCCG") 2012. He will retain office until the close of the 13th AGM	Note: Mr. Lim Chin Kai who has served as Independent Non-Executive Director for more than 9 years has indicated that he will not seek for re-appointment in line with the recommendations in the Malaysian Code on Corporate Governance ("MCCG") 2012. He will retain office until the close of the 13th AGM.

	Siah Chin Leong	Ng Lee Thin
Position	Independent Non-Executive Director	Independent Non-Executive Director
Age	51	47
Nationality	Malaysian	Malaysian
Qualification	Bachelor of Arts, majoring in Political Science (1982-1985)	Chartered Accountancy
Working experience & occupation	- Started as Manager in 1988 at the subsidiary of Tasek Maju Realty Sdn. Bhd., a Property Developer and promoted as Executive Director in 1990 - Subsequently, joined Daiman Development Berhad, a Property Developer as General Manager in 2006 and resigned in 2013 - Currently, he is an Advisor of S & L Vintners, a Wine Retailer	- Member of the Malaysian Institute of Accountants ("MIA") and Fellow Member of Association of Chartered Certified Accountants ("FCCA") - Graduated with a Bachelor of Economics (Hons) from University Utara Malaysia in 1992 - She has more than 20 years of experience in the field of corporate finance, auditing, accounting and taxation - She was the Financial Controller of Binaik Equity Bhd. in 2001 for 9 years before set up her own firm, Yellow Business Solution in 2010 and Yellow Tax Services Sdn. Bhd. in 2012. Prior to that, she worked with Ernst & Young in 1996
Date of Appointment	18 March 2014	6 May 2014
Other directorships of public listed companies	No	No
Membership of Board Committees	N/A	N/A
Family relationship with any director and/or major shareholder of JTB	No	No
Conflict of interest with JTB, if any	No	No
Convictions for offences within the past 10 years other than traffic offences	No	No
No. of Board Meetings attended in the financial year	N/A	N/A

Directors' Responsibility Statement

The Directors are required to prepare the financial statements of the Group and of the Company, in accordance with the provisions of the Companies Act 1965 and applicable approved accounting standards in Malaysia, so that to give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows for the financial year then ended.

In preparing the financial statements, the Directors have ensured:

- Appropriate accounting policies are adopted and applied them consistently;
- Reasonable and prudent judgments and estimates are made; and
- Applicable approved accounting standards in Malaysia have been followed.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy the financial position of the Group and of the Company, and which enables them to ensure that the financial statements comply with the Companies Act 1965.

The Directors also have overall responsibility for taking such steps that are reasonably available to them to safeguard the assets of the Group, to prevent and detect fraud and other irregularities.

This statement is made in accordance with a Board resolution dated 7 May 2014.

Audit Committee Report

The Board presents the Audit Committee Report which provides insights into the manner in which the Audit Committee ("AC") discharged its function for the Group in 2013.

1. COMPOSITION OF MEMBERS

The Committee comprises three (3) members as follows, all of whom are Independent Non-Executive Directors and details of attendance of each member at Committee Meetings held during the year are as follows:

Composition of Committee *(Designation)*	**No. of Committee Meetings Attended**
Lim Chin Kai *(Chairman/Independent Non-Executive Director)*	4/4
Muhamad Feasal Bin Yusoff *(Senior Independent Non-Executive Director - Member of MIA)*	4/4
Datuk Kamaludin Bin Yusoff *(Independent Non-Executive Director)*	4/4

The meetings were appropriately structured through the use of agendas and board papers containing information relevant to the matters for deliberation, which were distributed to members with sufficient notification.

The Board assess the performance of the AC and its members through an annual Board Committee effectiveness evaluation. The Board is satisfied that the AC and its members have been able to discharge their functions, duties and responsibilities in accordance with the Terms of Reference of the AC.

2. MEMBERSHIP

The AC is appointed by the Board from amongst the directors of the Company and consists of three (3) members comprising of all AC members being Independent Non-Executive Directors. The AC included one (1) Director who is a member of the Malaysian Institute of Accountants ("MIA").

All members of the AC shall be financially literate and appropriately qualified with sound knowledge and experience in accounting, business, and financial management. The quorum shall be two (2) members.

3. SECRETARY

The Secretary to the AC is the Company Secretary.

4. FREQUENCY OF MEETINGS

Meetings shall be held not less than four (4) times a year. The External Auditors may request a meeting if they consider that one is necessary.

5. TERMS OF REFERENCE

5.1 Authority

The Committee is authorised by the Board, in accordance with the procedures to be determined by the Board (if any) and at the cost of the Company, to:

(a) Investigate any activity within the Committee's terms of reference;

(b) Have resources which are reasonably required to enable it to perform its duties;

5. TERMS OF REFERENCE (Cont'd)

5.1 Authority (Cont'd)

(c) Have full and unrestricted access to any information pertaining to the Company or the Group;

(d) Have direct communication channels with the External Auditors and person(s) carrying out the internal audit function or activity (if any);

(e) Obtain outside legal or other independent professional advice and secure the attendance of outsiders with relevant experience and expertise if it considers necessary; and

(f) Convene meetings with External Auditors, Internal Auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary, but at least twice a year.

5.2 The Duties of the Committee shall be to review the following and report the same to the Board:

(a) Any matters concerning the appointment, any questions of resignation or dismissal of the External Auditors and the audit fee;

(b) The nature and scope of the audit by the External Auditors before commencement;

(c) The External Auditors' audit report, areas of concern arising from the audit and any other matters the External Auditors may wish to discuss (in the absence of management if necessary);

(d) Any financial information for publication, including quarterly and annual financial statements, before submission to the Board, focusing particularly on:

- Changes in implementation of major accounting policy changes
- Significant and unusual events; and
- Compliance with accounting standards and legal requirements

(e) The External Auditor's management letter and management's response;

(f) The adequacy of the competency and relevance of the scope, functions and resources of internal audit and the necessary authority to carry out its work;

(g) The audit plan and work programme of internal audit and where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit;

(h) Findings of internal audit work and management's response;

(i) Any evaluation on internal controls by auditors;

(j) To review and recommend the risk management policy framework for approval by the Board;

(k) To recommend to the Board on proposed changes in risk management policies and strategies, as and when necessary;

(l) To liaise with Internal Auditors and External Auditors in respect of their conduct of the audit/review of the Company's risk management process;

(m) To review reports to ensure compliance with risk management policies and provide recommendation where necessary;

(n) Extent of cooperation and assistance given by the employee;

(o) The propriety of any related party transactions and conflict of interest of situations that may arise within the Company or the Group; and

(p) Any other matter as defined by the Board.

6. REPORTING PROCEDURES

The AC shall reports to the Board of Directors.

7. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

During the financial year, the AC carried out its duties as set out in its Terms of Reference. The activities undertaken were as follows:

- Reviewed with the External Auditors their scope of work and audit plan for the year prior to the commencement of audit;
- Reviewed the results of the external audit, the audit report and the management letter, including management's response;
- Reviewed the annual report and audited financial statements of the Group before submission to the Board for their consideration and approval. The review was to ensure that the audited financial statements were drawn up in accordance with the provision of the Companies Act, 1965 and the applicable Approved Accounting Standards;
- Discussed with the External Auditors on their assessment of the Company's internal control system. Noted that no major weaknesses were reported by them;
- Reviewed the external audit performance, effectiveness and independence before recommending to the Board for their re-appointment and remuneration;
- Reviewed quarterly financial results to ensure compliance with the Listing Requirements of Bursa Malaysia before recommending them for the Board's approval;
- Reviewed the External Auditor's remuneration and made recommendation to the Board for acceptance and for their re-appointment;
- Conducted meetings with the External Auditors without the presence of the Executive Directors and employees of the Company;
- Reviewed and approved the Internal Auditor's audit plans with the Internal Auditor;
- Reviewed and approved the quarterly internal audit reports with the Internal Auditor;
- Reviewed the status report of internal audit activities for the financial year ended 31 December 2013 to ensure all the planned activities were properly carried out;
- Reviewed the recommendations by the Internal Auditors and corrective actions taken by management in addressing and resolving issues as well as ensuring that all issues are adequately addressed on a timely basis;
- Reviewed and assessed the adequacy of the competency and effectiveness of the systems of risk management and internal control and the efficiency of the Group's operations in particular those relating to areas of significant risks;
- Reviewed any related party transactions that may arise within the Company of the Group; and
- Reviewed the extent of the Group's compliance with the provisions set out under the Malaysian Code on Corporate Governance pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

During the Board Meeting, the Chairman of the AC briefed the Board on the matters discussed at the AC meetings. The Chairman also briefed the Board on the discussion on the quarterly financial results, the annual Audited Financial Statements and the recommendations of the Committee thereon to the Board to adopt the quarterly financial results and the annual Audited Financial Statements.

8. INTERNAL AUDIT AND RISK MANAGEMENT FUNCTIONS

The Company has outsourced its internal audit and risk management functions to a professional services firm, which is tasked with the aim of providing assurance and assisting the AC and the Board in reviewing the adequacy and effectiveness of the internal control systems and risk management in the Company.

The internal audit function also acts as a source to assist the AC and the Board to strengthen and improve current management and operating style in pursuit of best practices. The costs incurred for the internal audit function in respect of the financial year ended 31 December 2013 was RM82,500.

The main responsibilities of the Internal Auditors are to:

- Assist in reviewing the adequacy, integrity and effectiveness of the Company's internal control system;
- Perform a risk assessment of the Company to identify the business processes within the Company that internal audit should focus on; and
- To perform any ad hoc appraisals, inspections, investigations, examinations, reviews requested by the AC or Senior Management as appropriate.

Activities of Internal Audit Function

- Internal audit reports, incorporating audit recommendations and management responses with regards to audit findings relating to the weaknesses in the systems and controls of the respective operations audited, were issued to the AC and the Management of the respective operations.
- The internal audit function also followed up with Management on the implementation of the agreed audit recommendations. The extent of compliance is reported to the AC on a regular basis. The AC in turn reviews the effectiveness of the system of internal controls in operations and reports the results thereon to the Board.
- Evaluate the relevance, reliability and integrity of financial and management information.
- Assess the means of safeguarding assets and verify their existence.
- Ascertain the extent of compliance with established policies, procedures, plans, laws and regulations.

The Board, in striving for continuous improvement will put in place appropriate action plans, when necessary, to further enhance the Company's systems of internal control.

This report is made with the approval of the Board dated 7 May 2014.

The Board of Directors ("the Board") acknowledges good governance and continuously committed towards improving good corporate governance to achieve the Group's objectives by discharging its duties and responsibilities, to safeguard long-term interest of its shareholders and taking into account the interests of other stakeholders.

The Malaysian Code on Corporate Governance 2012 ("the Code") set out the broad principles and specific recommendations on structures and processes which companies should adopt in making good corporate governance an integral part of the business dealings and culture, as well as focuses on strengthening the roles and responsibilities of the Board, Audit Committee and the internal audit function.

The statement below highlights the manner in which the Group has applied the principles of the Code and the extent of compliance recommendation advocated therein pursuant to paragraphs 15.25 and 15.08A of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

1.1 Clear Functions of the Board and Management

The Board is obligated to play an active role in directing the Management (which consists of Chief Executive Officer ("CEO"), Executive Directors and the Department Heads), overseeing and monitoring the Management's actions, ethical conducts and regulatory compliance, as well as questions the Management on certain key areas based on information provided.

There is a clear division of responsibility at the control of the Board, to ensure a balance of power and authority. The Board is chaired by the Independent Non-Executive Director, who is responsible for heading the Board, encourage all Directors to play an active role in Board activities, concern matters pertaining to the Board, monitoring overall conduct of the Board meetings as well as liaise with CEO and the Company Secretary on the agenda for Board meetings.

The Group is led and controlled by the Board. Specific responsibilities have been delegated to the Board Committees in order for them to discharging their fiduciary duties and to assist the Board in the running of the Group. The Board Committees comprising Audit Committee, Nomination Committee and Remuneration Committee. In January 2014, the Board has established a new Board Committee, namely Risk Management Committee chaired by an Independent Non-Executive Director.

Each Board Committee operates within clearly defined terms of reference. The Board Committee will then communicate with the Management to further discuss the matters that may have material impact on the Group's performance and results as a whole, and review the actions taken by the Management periodically. As for the employees, there are also clearly defined in roles and responsibilities based on their job function.

However, the Board still remains full responsible for the overall conducts of the Board Committees.

1.2 Clear Roles and Responsibilities

The following are the key responsibilities of the Board, in discharging its stewardship role:

A. Overseeing the conduct of the Group's business

The Board delegates certain responsibilities to the Board Committees, in which the members of the Board Committees comprises of a wide spectrum of skills, knowledge and expertise from varied business and educational backgrounds which is vital to the continued success of the Group's business.

The CEO is responsible for overseeing the daily operations, overall management effectiveness, implementation of the policies and strategies adopted by the Board and seeking for long-term growth to achieve the Group's objectives.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (Cont'd)

1.2 Clear Roles and Responsibilities (Cont'd)

B. Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks

The Board established a Management Committee ("MC") mainly comprises Top Management Team and the Department Heads, to identify, evaluate, monitor and manage significant risks faced by the Group, through the formation of Risk Management Framework ("RMF"). The internal audit function and AC reviews the risk management profile and policies formulated by the MC and makes relevant recommendations to the Board for approval.

At the same time, the systems of internal control have been implemented to reduce the risks of failure to achieve the Group's objective.

Details of the RMF are set out on page 29 of this Annual Report.

C. Succession planning, including appointing, training, fixing the compensation of and, where appropriate, replacing senior management

The Board has established the Nomination Committee ("NC") and Remuneration Committee ("RC"). NC is responsible for selecting and recommending the candidates for new appointment as Directors, whereas RC is to determine the remuneration packages for Executive Directors.

Details of the NC and RC are set out on pages 23 and 24 of this Annual Report.

D. Overseeing the development and implementation of a communication policy for the Group

In order to ensure shareholders, investors and other stakeholders are well-informed for the latest information and financial performance and results of the Group, all updates will be available at our official website at http://www.johoretin.com.my.

E. Reviewing the adequacy and integrity of management information and internal control system of the Group

The Board has delegated to the Audit Committee ("AC") to examine the effectiveness of the Group's internal control systems and management information systems.

The details pertaining to the Group's internal control system and the review of its effectiveness are set out on pages 29 and 30 of this Annual Report.

1.3 Code of Ethics and Conduct

The Board acknowledges the importance of establishing a corporate culture which governs the standard of ethic and good conduct of the Directors and employees, and is in the midst of formalising the Code of Conduct for the Board.

Currently, the Board is adhered to the Director's Code of Ethics introduced by the Companies Commission of Malaysia ("CCM"). The principles on which the Code of Ethics adheres by the Group are in the following:

a) To act honesty and integrity;
b) Accountability and responsibility;
c) Compliance with legislation, listing and regulatory requirements;
d) To act in the best interests of the Group; and
e) Corporate social responsibility.

The Code of Ethics when formalised will be reviewed periodically by the Board and may require amendments by the Board if deem necessary.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (Cont'd)

1.4 Sustainability

The Board recognises the importance of sustainability practices throughout the Group, the benefits of which are believed to translate into better corporate performance and its growing impact to the Group including emphasis in the social and environmental impact of its business operations.

The Board acknowledges the significance of Corporate Social Responsibility ("CSR") and views CSR as an extension to the Group's efforts in promoting a strong corporate governance culture.

The Group is committed to the welfare of its employees, by providing on-job training programmes and attending trade fair/exhibition, to equip them with necessary skills and knowledge in order for them to perform better in the workplace. The Group is also concern about the safety and health of its employees in the workplace, by establishing the Safety and Health Committee, as in accordance with the Occupational Safety and Health Act 1994, ensuring all employees are strictly adherence to the safety's standard operating procedures and measures to prevent/minimise unnecessary incidents.

The Group contributes to various societies, associations and other charitable organisations and the environment to assists the community. Among the beneficiary from our Group's contribution were Malaysian Association for the Blind, Jemaah Pengurus Sekolah R.J.K. (C) Kuo Kuang, Dual Blessing Berhad and etc.

The Group will continue its endavour to ensure wider community benefits from our efforts in enhancing the value of social responsibility.

1.5 Access to Information and Advice

All Directors, particularly the Independent Non-Executive Directors, who are not involved in the day-to-day operations of the Group, have unrestricted access to all information necessary relating to the Group's business and affairs to discharge their duties. The Directors are also furnished with additional information or clarification on matters tabled at Board meetings.

Management may be invited to attend Board meetings whenever necessary, to reports to the Board on matters relating to their areas of responsibility and highlighting relevant issues and updating latest information.

All Directors have access to the advice and services of the Company Secretary, and if deemed necessary, may seek independent professional or other advice, at the expense of the Group in the discharge of their duties.

1.6 Qualified and Competent Company Secretary

The Company Secretary is licensed by Companies Commission of Malaysia and is also an affiliate of a professional body and is qualified to act as Company Secretary under the Company Act 1965. The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in discharging their duties.

The Company Secretary plays an advisory role to the Board in relation to the compliances with the relevant regulatory requirements, codes or guidance and legislations.

The Company Secretary is keeping abreast of the regulatory changes, latest development in corporate governance and other relevant matters, to ensure the Directors are well-informed to those changes.

1.7 Board Charter

The Board's charter of the Group, which sets out clearly, amongst others, the roles and responsibilities of the Board and the Board Committees, the composition and the process of the Board.

The Board Charter shall be reviewed periodically and updated in accordance with any changes in regulations or listing requirements that may have an impact on the discharge of the Board's responsibilities.

The details of the Board Charter are published in our Company's official website.

2. STRENGTHEN COMPOSITION

2.1 Nominating Committee

The NC comprises three (3) members, all of whom are Independent Non-Executive Directors.

The members of the NC and their attendance records are as follows:

Name of Directors *(Designation)*	No. of Committee Meetings Attended
Muhamad Feasal Bin Yusoff *(Chairman/Senior Independent Non-Executive Director)*	2/2
Lim Chin Kai *(Independent Non-Executive Director)*	2/2
Datuk Kamaludin Bin Yusoff *(Independent Non-Executive Director)*	2/2

Summary of activities of NC during the financial year:

a) Made recommendations to the Board on new candidate for appointment and re-appointment/re-election of Directors to the Board;
b) Reviewed the required mix of skills, experience and other qualities of the Board;
c) Reviewed and recommended to the Board for the appointment of members of Board Committees established by the Board; and
d) Assessed the quantitative and qualitative performance criteria for evaluation of the performance of each members of the Board annually.

2.2 Develop, Maintain and Review Criteria for Recruitment and Annual Assessment of Directors

A. Recruitment or Appointment of Directors

The Board do take into consideration the following criteria pertaining to the recruitment/appointment of the new Directors:

a) Relevant skills and experiences;
b) Industrial knowledge;
c) Education background;
d) Character and integrity; and
e) Expertise and professionalism.

B. Annual Assessment

The NC is responsible for assessing and evaluating the performance of the Board and the Board Committees, on an annual basis.

The annual evaluation including reviewing and assessing the performance of the Board, the effectiveness of the Board Committees and contribution of each individual Directors, as well as evaluating the independence of Independent Directors.

C. Appointment of Senior Independent Non-Executive Director

As recommended by the Code, the Board has appointed a Senior Independent Non-Executive Director in year 2013.

The roles and responsibilities for the said position are stated in the following:

a) Ensure all Independent Directors have an opportunity to provide input on the agenda or advise the Chairman based on the information submitted by the Management to perform their duties and make quality judgment.

b) Sufficient time is given to the Independent Directors for the discussion of all agenda items.

c) Serve as a communication channel between the Board and shareholders, either directly or indirectly, to discuss issues or suggestions that affect the Group as a whole.

2.3 Remuneration Policies

The RC consists of two (2) Independent Non-Executive Directors and CEO.

The following are the RC members and their attendance records:

Name of Directors *(Designation)*	No. of Committee Meetings Attended
Lim Chin Kai *(Chairman/Independent Non-Executive Director)*	2/2
Edward Goh Swee Wang *(Chief Executive Officer)*	2/2
Muhamad Feasal Bin Yusoff *(Senior Independent Non-Executive Director)*	2/2

The primary objective of the RC is to assist the Board in assessing and reviewing the remuneration packages of the Executive Directors to reflect the responsibility and commitment towards stewardship of the Directors and to enable the Company to recruit and retain the Directors needed to achieve the Group's objectives.

The RC is responsible for determining and developing the remuneration policy for the Executive Directors. The Committee also recommends and assists the Board in determining the policy for the scope of service agreements for the Executive Directors, termination payments and compensation commitments, as well as the appointment of the services of such advisers or consultants as it deems necessary to fulfill its responsibilities.

Whereas, the director fees for both Executive Directors and Non-Executive Directors is recommended by the Board as a whole, subject to the shareholders' approval at the Annual General Meeting ("AGM").

Details of the Directors' remuneration for the financial year ended 31 December 2013 are stated as follows:

i) The aggregate remuneration of Directors are as follows:

Salaries and other emoluments	Executive (RM)	Non-Executive (RM)	Total (RM)
Salaries and bonuses	4,175,060	-	4,175,060
Fees	416,000	256,000	672,000
Total	4,591,060	256,000	4,847,060

ii) The number of Directors whose remuneration falls within the successive band of RM50,000 are as follows:

Directors' remuneration	Executive	Non-Executive	Total
RM50,000 and below	-	1	1
RM50,001 – RM100,000	-	3	3
RM200,001 – RM250,000	1	-	1
RM300,001 – RM350,000	1	-	1
RM400,001 – RM450,000	1	-	1
RM550,001 – RM600,000	1	-	1
RM700,001 – RM750,000	1	-	1
RM800,001 – RM850,000	1	-	1
RM1,500,001 – RM1,550,000	1	-	1

3. REINFORCE INDEPENDENCE

3.1 Annual Assessment of Independent Director

During the financial year under review, the NC has assessed the contribution and performance of the Independent Directors. The Board is satisfied with the level of independence demonstrated by all the Independent Directors, and their ability to act in the best interests of the Group during deliberations at Board meetings.

3.2 Tenure of Independent Director

Under the Recommendation 3.2 of the Code, the tenure of an Independent Director should not exceed a cumulative term of nine (9) years.

En. Muhamad Feasal Bin Yusoff who has served as an Independent Non-Executive Director for more than nine (9) years and will also be retiring in accordance with Article 120 of the Company's Articles of Association, has informed that he will not seek for re-election in line with the recommendations in the Malaysian Code on Corporate Governance ("MCCG") 2012. He will retain office until the close of the 13th AGM.

Mr. Lim Chin Kai who has also served as an Independent Non-Executive Director for more than nine (9) years had indicated that he will not seek for re-appointment as Independent Director. He will retain office until the close of the 13th AGM.

3.3 Separation of Positions of the Chairman and CEO

There is a clear division of responsibilities between the Chairman and the CEO, to ensure a balance of power and authority.

The Chairman, who is an Independent Non-Executive Director, is responsible for leading the Board and monitors the functions of the Management as well as the Board Committees. Whilst the CEO is responsible for overseeing the daily operations, overall management effectiveness, implementation of the policies and strategies adopted by the Board and seeking for long-term growth to achieve the Group's objective.

3.4 Composition of the Board

Currently, the Board consists of eight (8) Directors comprising three (3) Executive Directors, and five (5) Independent Non-Executive Directors, in which fulfills the prescribed requirement for at least two (2) or one-third (1/3) of the Board (whichever is higher) are Independent Directors as stated in paragraph 15.02(2) of the Listing Requirements of Bursa Securities.

The Board is of the view that while it is important to promote gender diversity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge should remain a priority.

4. FOSTER COMMITMENT

4.1 Time Commitment

The Board ordinarily schedules at least four (4) Board meetings in a year, with additional meetings held whenever necessary, to discuss all relevant matters relating to the overall performance and results of the Group.

The Board, assisted by the Company Secretary, ensures timely circulation of notices of meetings, accuracy of the agenda content, records all the attendance of each individual Director, presence of a quorum, compliance with local regulations and listing requirements as well as keeping of proper minutes and other relevant records.

4. FOSTER COMMITMENT (Cont'd)

4.1 Time Commitment (Cont'd)

The attendances of each Director at the Board meetings are in the following:

Name of Directors ***(Designation)***	Attended
Datuk Kamaludin Bin Yusoff *(Chairman/Independent Non-Executive Director)*	4/4
Edward Goh Swee Wang *(Chief Executive Officer)*	4/4
Yeow Ah Seng @ Yow Ah Seng *(Executive Director)*	4/4
Lim Chin Kai *(Independent Non-Executive Director)*	4/4
Muhamad Feasal Bin Yusoff *(Senior Independent Non-Executive Director)*	4/4
Lim Hun Swee *(Executive Director)*	4/4
Siah Chin Leong *(Independent Non-Executive Director)* *(appointed on 18 March 2014)*	0/0
Ng Lee Thin *(Independent Non-Executive Director)* *(appointed on 6 May 2014)*	0/0

Under Recommendation 4.1 of the Code, the Board should set out expectations on time commitment for its members and protocols for accepting new directorship. As a result, all Directors are required to notify the Chairman before accepting any new directorship. This is to shows the time commitment from the Directors to carry out their responsibilities.

4.2 Training

All the Directors have completed the Mandatory Accreditation Programme ("MAP"). In order for the Directors to discharge their duties with reasonable skills and knowledge, attending relevant training programmes are necessary to keep abreast with latest developments in the industry, on a continuous basis, in compliance with paragraph 15.08 of the Bursa Securities' Listing Requirements.

During the financial year under review, all Directors have attended the seminars or training which stated in the following:

Name of Directors	Workshops / Courses Attended	Date
Datuk Kamaludin Bin Yusoff	Board Oversight Responsibilities for M&A	29 May 2013
Edward Goh Swee Wang	Malaysia Trade & Export Finance Conference	14 Nov 2013
Yeow Ah Seng @ Yow Ah Seng	2014 Budget & Tax Planning	8 Nov 2013
Lim Chin Kai	2014 Budget & Tax Planning	8 Nov 2013
Muhamad Feasal Bin Yusoff	2014 Budget & Tax Planning	8 Nov 2013
Lim Hun Swee	Global Markets & Investment Management Presents	21 May 2013
Siah Chin Leong	Mandatory Accreditation Programme	7 & 8 May 2014

Other than attending the seminars and workshops, the Directors are also well-informed for the updated financial and operational performance of the Group as well as changes in regulatory and legislations which will affect the Group as a whole.

5. UPHOLD INTEGRITY IN FINANCIAL REPORTING

5.1 Compliance with Applicable Financial Reporting Standards

In presenting the Group's annual audited financial statements and quarterly announcement of financial results to the shareholders, the Management continues to ensure a balanced, understandable and meaningful assessment of the Group's financial performance and prospects, so as to give a true and fair view of the state of affairs of the Group, and of the results and cash flows for the financial year/period then ended, prior to recommending them to the Board for approval.

The AC assists the Board by monitoring and reviewing the information to be disclosed in the financial report, which is in compliance with the applicable accounting standards and statutory requirements, prior to its release to Bursa Securities.

5.2 Assessment of Suitability and Independence of External Auditors

The Board, through the AC, maintains a formal and transparent relationship with the External Auditors in seeking their professional advice and ensuring compliance with applicable accounting standards.

The External Auditors are invited to attend the AC meetings at least twice a year, to review and discuss the Group's accounting policies, internal control system and audit findings that may require the attention of the Board, as well as presenting their audit plan to the AC. Meetings with the External Auditors without Management have also been conducted twice during the year.

There are no significant non-audit services provided by the External Auditors, except for the non-audit fee payable in respect of review of Statement on Risk Management and Internal Control.

The non-audit fee is set out on page 31 of this Annual Report.

6. RECOGNISE AND MANAGE RISKS

6.1 Sound Framework to Manage Risks

The Risk Management Committee ("RMC") oversees the RMF of the Group and reviews the risk management and internal control system maintained by the Management and makes relevant recommendations to the Board for approval.

6.2 Risk Management and Internal Audit Functions

The Group has outsourced its risk management and internal audit function to a professional services firm, which is tasked with the aim of providing assurance and assisting the AC and the Board, in reviewing the adequacy and effectiveness of the internal control systems and risk management of the Group as a whole.

Details of the Group's risk management and internal control system are set out on pages 29 and 30 of this Annual Report.

7. ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

7.1 Corporate Disclosure Policy

The Board is aware of the importance of timely and accurate material disclosure to the public and in compliance with Bursa Securities' Listing Requirements. This is to avoid confusion to the market and undermine the principle of orderly and fair market if the disclosures are incomplete or inaccurate.

The Board has delegated the authority to the CEO to approve all the announcements for release to Bursa Securities.

7.2 Leverage on Information Technology for Effective Dissemination of Information

Besides the disclosure of material information, the Board is using information technology or media to disseminate information, in order to enhance investor relations of the Group.

The Group maintains a website http://www.johoretin.com.my to disseminate up-to-date information and to keep shareholders, investors and other stakeholders well-informed on the Group's financial performance and operations.

8 STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

8.1 Encourage Shareholder Participation at General Meetings

The Company's AGM remains the principal forum for dialogue and communication with the shareholders. The shareholders are encouraged to attend the Company's AGM and participate in the proceedings and take the opportunity to raise questions in relation to the results and operations of the Group. The Board of Directors and Management are available to respond to shareholders' queries. Shareholders who are unable to attend the Company's AGM are allowed to appoint proxies to attend and vote on their behalf.

The notice of AGM and annual report will be dispatched to the shareholders at least 21 days before the date of meeting.

8.2 Encourage Poll Voting

In line with the best practice of Corporate Governance, the Board has passed a resolution by way of poll voting at the last AGM. The Board had also notified the shareholders of their rights to demand for poll voting during the last AGM.

This, rather than on a show of hands, would enforce greater shareholders' rights, and also allow all votes of shareholders who were unable to attend the AGM but who had appointed the Chairman of the meeting as proxy, to vote on their behalf in accordance with their instruction, for exercising their rights as shareholders of the Company.

8.3 Effective Communication and Proactive Engagement

At the AGM, all Directors are present in person to engage directly with the shareholders of the Company. The Management as well as External Auditors and Internal Auditors were invited to attend the meeting, to respond to the shareholders' queries.

The shareholders were also invited to submit additional questions or further doubt/queries they might have, after the meeting via post/e-mail, so that these queries could be responded after the meeting.

This statement is made in accordance with a Board resolution dated 7 May 2014.

This Statement is made by the Board, in compliance with the Malaysian Code on Corporate Governance 2012 ("the Code") as the best practices of internal control and pursuant to paragraph 15.26(b) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), outlining the nature and scope of risk management and internal control system of the Group during the financial year.

BOARD'S RESPONSIBILITY

The Board affirms its overall responsibility for the Group's risk management and internal control system in identifying principal risks and ensuring the implementation of appropriate internal control systems to manage these risks.

The Board also recognises its responsibility for reviewing the adequacy and the integrity of the Group's risk management and internal control systems. Due to inherent limitations of the system of internal control and risk management, risk cannot be eliminated. The possibility risk of failure in terms of human error, poor judgment in decision-making, control processes being deliberately circumvented by employees and others, and the occurrence of unforeseeable circumstances can only be prevented or reduced in order to achieve the business objectives of the Group. As a result, it can only provide reasonable, but not absolute assurance against material misstatement, loss or fraud.

The Board has received reasonable assurance from the CEO and Group Finance Manager 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 as a whole.

The assurance has been given based on the risk management and internal control system maintained by the Group, internal audit reports provided by the internal audit function and management representative letter, which highlighted minor deficiencies by the External Auditors.

RISK MANAGEMENT

The Board is committed to maintain a sound risk management and internal control system, to safeguard shareholders' investment and the Group's assets, by ensuring the Risk Management Framework ("RMF") is embedded into the culture, processes and structures of the Group.

In order for the RMF to achieve its effectiveness, communication in relation to the segregation of authority, responsibility and accountability within the Group must be clearly defined to all levels of staff throughout the organisation.

The setting of the RMF has been delegated by the Board to the Management Committee ("MC"), which is reviewed by the internal auditors and the Audit Committee ("AC"), in identifying, evaluating, monitoring as well as managing those significant risks that faced by the Group.

A Risk Management Committee ("RMC") was established in January 2014, in which the members of RMC comprise Independent Non-Executive Director, CEO, Executive Director, General Manager and Factory Manager. The RMC meets at least twice in a year.

The salient terms of reference of the RMC are as follows:

a) To define, review & recommend risk management strategies, policies and risk tolerance for the Board's decision;

b) To review and assess the adequacy of risk management policies and framework for identifying, measuring, monitoring and controlling risks as well as the extent to which these are operating effectively;

c) To ensure adequate infrastructure and resources are in place for effective risk management (i.e. ensuring the staff responsible for implementing risk management systems perform those duties independently of the Group's risk taking activities;

d) To review the management's periodic reports on risk exposure, risk portfolio composition and risk management activities; and

e) To perform any other functions in relation to the risk management as and when identified by the RMC and the Board.

INTERNAL AUDIT

The internal audit function provides assessments as to whether risks, which may hinder the Group from achieving its objectives, are being adequately evaluated, managed and controlled.

The internal audit function has been outsourced to an independent professional consulting firm. Internal audit is carried out periodically in all the subsidiaries in accordance with the approved annual internal audit plan. The internal audit review findings are reviewed directly by the AC who will then report to the Board for approval on a quarterly basis.

During the financial year under review, the internal audit had been carried out on Finance Cycle of all the operating subsidiaries of the Group. There were no significant weaknesses which resulted in material losses, contingencies or uncertainties that require disclosure in the Annual Report.

INTERNAL CONTROL

The key elements of the Group's internal control system are described below:

a) A formalised organisation structure, which clearly defined the responsibilities and duties as well as level of authority within the Group.

b) Ensuring sufficient insurance coverage to the Group's assets and properties in order to safeguard the best interests of its shareholders, investors and other stakeholders.

c) Proper rules and procedures in terms of hiring and termination of employees, performance appraisal, staff complaints and deficiencies, to ensure high level of efficiency in the workplace.

d) MC comprises Senior Management and the Department Heads, are meet at least once a year, to discuss and identify key risk areas, and deliberate on the risk management and update the risk register with follow-up action plans.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement for inclusion in the Annual Report for the financial year ended 31 December 2013, and reported to the Board that nothing has come to their attention that cause 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 internal control system within the Group.

CONCLUSION

For the financial year under review, all key risk areas highlighted by the Management and internal audit function as well as the External Auditors in relation to the Group's risk management and internal control system, has been properly communicated to the Board via the AC. Some of these identified weaknesses were satisfactorily resolved through subsequent corrective actions carried out, while certain identified weaknesses, the Management are still in the process of rectifying them.

The Board remains committed towards a sound risk management and internal control system, and Management continues to take appropriate measures to strengthen the risk management and internal control system throughout the Group.

This statement is made in accordance with a Board resolution dated 7 May 2014.

Additional Compliance Information

The information disclosed below is in compliance with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

1. UTILISATION OF PROCEEDS RAISED FROM PUBLIC ISSUE

The status of utilisation of proceeds of RM29,857,706 raised from the Rights Issue by way of issuance of 23,326,333 new ordinary shares of RM1.00 each at an issue price of RM1.28 each per share is as follows:

	Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe (Within)	Deviation RM'000	Deviation %
i)	Purchase of land and construction of new warehouse and factory	15,000	5,000	18 months	10,000	66.67
ii)	Purchase of machineries and equipment	8,000	8,000	18 months	-	-
iii)	Upgrading works	1,500	886	18 months	614	40.94
iv)	Working capital	4,857	4,323	12 months	534	11.00
v)	Rights issue expenses	500	500	1 month	-	-
		29,857	18,709		11,148	37.34

(Disclosed in accordance with Appendix 9C, Part A, item 13 of the Listing Requirements of Bursa Securities.)

2. OPTIONS OR CONVERTIBLE SECURITIES

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

(Disclosed in accordance with Appendix 9C, Part A, item 15 of the Listing Requirements of Bursa Securities.)

3. AMERICAN DEPOSITORY RECEIPT ("ADR") or GLOBAL DEPOSITORY RECEIPT ("GDR")

The Group did not sponsor any ADR or GDR programme during the financial year ended 31 December 2013.

(Disclosed in accordance with Appendix 9C, Part A, item 16 of the Listing Requirements of Bursa Securities.)

4. SANCTIONS AND/OR PENALTIES

The Company and its subsidiaries, Directors or management have not been imposed any sanctions and/or penalties by the relevant regulatory bodies.

(Disclosed in accordance with Appendix 9C, Part A, item 17 of the Listing Requirements of Bursa Securities.)

5. NON-AUDIT FEES

The amount of non-audit fees payable to external auditors of the Company for review of the Statement on Risk Management and Internal Control for the financial year ended 31 December 2013 amounted to RM3,000 (2012: RM3,000).

(Disclosed in accordance with Appendix 9C, Part A, item 18 of the Listing Requirements of Bursa Securities.)

6. VARIATION IN RESULTS

There was no significance variance between the reported results for the financial year and the unaudited results previously announced by the Company for the financial year ended 31 December 2013.

(Disclosed in accordance with Appendix 9C, Part A, item 19 of the Listing Requirements of Bursa Securities.)

7. PROFIT GUARANTEE

During the financial year, the Company paid RM5 million (2012: RM3.5 million) to the Vendor of newly acquired subsidiary, subject to the clauses in the Share Sale Agreement, that the newly acquired subsidiary has achieved the profit after tax (the "profit guarantee"), for the financial year ended 31 December 2012, of not less than RM10 million (2011: RM7 million).

(Disclosed in accordance with Appendix 9C, Part A, item 20 of the Listing Requirements of Bursa Securities.)

8. MATERIAL CONTRACTS

Since year of 1999, a Director of the Group's subsidiary and the subsidiary of the Group has entered into a tenancy agreement, renewal at every two (2) years, which was mutually agreed by both parties, renewed on 15 November 2013 and expiring on 14 November 2015, at a renewed monthly rental of RM1,400.

There were no other material contracts entered into by the Group involving Directors' and major shareholders' interests either still subsisting at the end of the financial year ended 31 December 2013 or entered into since the end of the previous financial year.

(Disclosed in accordance with Appendix 9C, Part A, item 21 of the Listing Requirements of Bursa Securities.)

9. EMPLOYEE SHARE OPTIONS SCHEME ("ESOS")

The Group did not offer any share scheme for employees during the financial year under review.

(Disclosed in accordance with Appendix 9C, Part A, item 27 of the Listing Requirements of Bursa Securities.)

10. CONTINUING EDUCATION PROGRAMME ("CEP")

All Directors have attended numerous seminars or courses during the financial year ended 31 December 2013.

Details of the seminars or courses attended are disclosed in the Corporate Governance Statement, as set out on page 26 of this Annual Report.

(Disclosed in accordance with Appendix 9C, Part A, item 28 of the Listing Requirements of Bursa Securities.)

11. INTERNAL AUDIT FUNCTION

The internal audit function was outsourced and the cost incurred for the internal audit function in respect of the financial year ended 31 December 2013 was RM82,500.

The Statement of Risk Management and Internal Control is set out on pages 29 and 30 of this Annual Report.

(Disclosed in accordance with Appendix 9C, Part A, item 30 of the Listing Requirements of Bursa Securities.)

12. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT")

During the financial year ended 31 December 2013, the Group does not have a shareholders' mandate for recurrent related party transactions. As a result, all relevant and necessary announcements related to recurrent related party transactions had been made once they reached the threshold limit.

All recurrent related party transactions entered were in the ordinary course of business and were carried out on the terms and conditions that not materially different from those transactions with unrelated parties.

Details of the recurrent related party transactions are disclosed and set out in Note 38 on page 82 of this Annual Report.

(Disclosed in accordance with paragraph 10.09(1)(b) of the Listing Requirements of Bursa Securities.)

13. SHARE BUY-BACKS

During the financial year under review, the Company did not enter into any share buy-back transaction.

(Disclosed in accordance with paragraph 12.23, Appendix 12D of the Listing Requirements of Bursa Securities.)

The directors of Johore Tin Berhad have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2013.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and provision of management services. 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 after tax for the financial year	20,519,782	11,986,815
Attributable to:-		
Owners of the Company	20,592,243	11,986,815
Non-controlling interests	(72,461)	-
	20,519,782	11,986,815

DIVIDEND

A first and final single tier tax-exempt dividend of 4.20 sen per ordinary share amounting to RM3,918,824 for the financial year ended 31 December 2012 was approved by the shareholders at the Annual General Meeting held on 5 June 2013 and paid on 29 July 2013.

A single tier interim tax-exempt dividend of 3 sen per ordinary share amounting to RM2,799,160 in respect of the financial year ended 31 December 2013 was paid on 30 December 2013.

At the forthcoming Annual General Meeting, a single tier final tax-exempt dividend of 2 sen per ordinary share amounting to RM1,866,107 in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for as a liability in the financial year ending 31 December 2014.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are 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

Warrants

The Company had issued 23,326,333 Warrants which were listed on Bursa Malaysia Securities Berhad on 27 November 2012 pursuant to the rights issue on the basis of one Rights Share and one Warrants for every three existing ordinary shares held in the Company.

The Warrants are constituted by a Deed Poll dated 10 October 2012 executed by the Company. Each Warrant entitles the registered holder during the exercise period to subscribe for one new ordinary share at the exercise price of RM2.28 per Warrant, subject to adjustment in accordance with the provisions of the Deed Poll. The Warrants not exercised at the date of the maturity will thereafter lapse and cease to be valid for any purpose.

As at 31 December 2013, the entire 23,326,333 Warrants remained unexercised. The summary of the movements of Warrants is as follows:

		Number of Warrants			
Issue Date	**Expiry date**	**Balance as of 1.1.2013**	**Granted**	**Exercised**	**Balance as of 31.12.2013**
27.11.2012	24.11.2017	23,326,333	-	-	23,326,333

The ordinary shares issued from the exercise of Warrants shall rank pari passu in all respects with the existing issued ordinary shares of the Company except that they shall not be entitled to any dividend, right, allotment and/or other distribution declared, made or paid prior to the relevant date of allotment and issuance of the new shares arising from the exercise of Warrants. Further details on the Warrants are detailed in Note 17 to the financial statements.

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 there are no known bad debts 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 writing off of bad debts, or the making of 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 values 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 41 to the financial statements. At the date of this report, there does not exist:-

(i) 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

(ii) 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:-

Datuk Kamaludin Bin Yusoff
Edward Goh Swee Wang
Lim Chin Kai
Lim Hun Swee
Muhamad Feasal Bin Yusoff
Yeow Ah Seng @ Yow Ah Seng
Siah Chin Leong (Appointed on 18.3.2014)

DIRECTORS' INTERESTS

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

	NUMBER OF ORDINARY SHARES OF RM1.00 EACH			
	At 1.1.2013	**Bought**	**Sold**	**At 31.12.2013**
Direct Interest In the Company				
Datuk Kamaludin Bin Yusoff	78,300	59,000	-	137,300
Edward Goh Swee Wang	5,217,876	-	-	5,217,876
Lim Chin Kai	40,000	-	-	40,000
Lim Hun Swee	11,042,000	1,687,000	-	12,729,000
Yeow Ah Seng @ Yow Ah Seng	1,978,666	-	-	1,978,666
Indirect Interest In the Company				
Datuk Kamaludin Bin Yusoff	4,727,240	-	(389,200)	4,338,040
Edward Goh Swee Wang	14,270,985	339,900	(1,070,000)	13,540,885

By virtue of the directors' shareholdings in the shares of the Company, except for Datuk Kamaludin Bin Yusoff, Lim Chin Kai and Yeow Ah Seng @ Yow Ah Seng, the abovementioned directors are deemed to have an interest in shares in the Company and its related corporations to the extent of the Company's interests, in accordance with Section 6A of the Companies Act 1965.

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

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 38 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.

AUDITORS

The auditors, Messrs. Crowe Horwath, have expressed their willingness to continue in office.

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 28 APRIL 2014

EDWARD GOH SWEE WANG

YEOW AH SENG @ YOW AH SENG

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Johore Tin Berhad, which comprise statements of financial position as at 31 December 2013 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 41 to 98.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 December 2013 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

(b) We have considered the financial statements and the auditors' reports of the subsidiary of which we have not acted as auditors, which is indicated in Note 5 to the financial statements;

(c) 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;

(d) The 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 45 on page 99 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.

Crowe Horwath
Firm No.: AF 1018
Chartered Accountants
28 April 2014

Tan Lin Chun
Approval No: 2839/10/15 (J)
Chartered Accountant

Johor Bahru

Statements Of Financial Position

At 31 December 2013

	Note	The Group 2013 RM	The Group 2012 RM	The Company 2013 RM	The Company 2012 RM
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	122,687,187	113,352,551
Property, plant and equipment	6	76,707,124	58,094,939	88,475	113,173
Investment properties	7	1,638,065	-	-	-
Goodwill	8	10,650,327	10,650,327	-	-
Other investment	9	16,500	16,500	-	-
		89,012,016	68,761,766	122,775,662	113,465,724
CURRENT ASSETS					
Inventories	10	58,265,702	49,719,662	-	-
Trade receivables	11	41,373,154	44,453,816	-	-
Other receivables, deposits and prepayments	12	1,425,500	3,529,197	-	-
Amount owing by subsidiaries	13	-	-	950,000	850,000
Tax recoverable		2,850,490	2,219,800	265,324	138,158
Derivative assets	14	-	24,800	-	-
Fixed deposits in licensed banks	15	11,182,705	26,104,837	11,151,971	20,821,858
Cash and bank balances		27,083,151	23,678,850	2,971,296	1,119,862
		142,180,702	149,730,962	15,338,591	22,929,878
TOTAL ASSETS		231,192,718	218,492,728	138,114,253	136,395,602

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

	Note	The Group 2013 RM	The Group 2012 RM	The Company 2013 RM	The Company 2012 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	16	93,305,333	93,305,333	93,305,333	93,305,333
Reserves	17	76,313,782	62,565,505	27,483,470	22,214,639
Equity attributable to owners of the Company		169,619,115	155,870,838	120,788,803	115,519,972
Non-controlling interest		127,539	-	-	-
TOTAL EQUITY		169,746,654	155,870,838	120,788,803	115,519,972
NON-CURRENT LIABILITIES					
Long term borrowings	18	15,562,746	12,828,359	5,623,431	7,058,692
Retirement benefits	19	301,000	335,000	-	-
Deferred tax liabilities	20	5,212,937	4,006,600	21,200	28,300
		21,076,683	17,169,959	5,644,631	7,086,992
CURRENT LIABILITIES					
Trade payables	21	10,248,157	10,083,310	-	-
Other payables and accruals	22	7,298,836	7,021,701	507,930	784,893
Amount owing to directors	23	713,443	764,206	-	-
Amount owing to subsidiaries	13	-	-	4,744,889	1,928,602
Derivative liabilities	14	166,005	-	-	-
Tax payable		1,692,534	1,163,439	-	-
Short term borrowings	24	20,250,406	21,614,113	6,428,000	6,428,000
Bank overdrafts	27	-	158,019	-	-
Contingent consideration	28	-	4,647,143	-	4,647,143
		40,369,381	45,451,931	11,680,819	13,788,638
TOTAL LIABILITIES		61,446,064	62,621,890	17,325,450	20,875,630
TOTAL EQUITY AND LIABILITIES		231,192,718	218,492,728	138,114,253	136,395,602

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 2013

	Note	The Group 2013 RM	The Group 2012 RM	The Company 2013 RM	The Company 2012 RM
REVENUE	29	241,383,678	246,361,334	15,464,083	9,519,333
OTHER OPERATING INCOME		2,018,634	3,621,246	550,272	26,030
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		995,027	(1,490,697)	-	-
RAW MATERIALS AND CONSUMABLES USED		(162,303,638)	(170,636,137)	-	-
EMPLOYEE BENEFITS	30	(21,284,069)	(18,632,972)	(1,064,052)	(816,922)
DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT	6	(5,193,739)	(5,408,621)	(24,698)	(7,284)
DEPRECIATION OF INVESTMENT PROPERTIES	7	(49,301)	-	-	-
FINANCE COSTS		(1,548,535)	(1,982,510)	(669,909)	(961,569)
OTHER OPERATING EXPENSES		(26,870,567)	(24,276,814)	(343,341)	(394,690)
PROFIT BEFORE TAX	31	27,147,490	27,554,829	13,912,355	7,364,898
TAX EXPENSE	32	(6,627,708)	(4,663,526)	(1,925,540)	(1,482,988)
PROFIT AFTER TAX		20,519,782	22,891,303	11,986,815	5,881,910
OTHER COMPREHENSIVE INCOME, NET OF TAX					
- Foreign currency translation differences		(125,982)	(73,976)	-	-
		(125,982)	(73,976)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		20,393,800	22,817,327	11,986,815	5,881,910
PROFIT AFTER TAX ATTRIBUTABLE TO :-					
Owners of the Company		20,592,243	22,891,303	11,986,815	5,881,910
Non-controlling interests		(72,461)	-	-	-
		20,519,782	22,891,303	11,986,815	5,881,910
TOTAL COMPREHENSIVE INCOME :-					
Owners of the Company		20,466,261	22,817,327	11,986,815	5,881,910
Non-controlling interests		(72,461)	-	-	-
		20,393,800	22,817,327	11,986,815	5,881,910
Earnings per share					
- basic (sen)	33	22.07	30.86		
- diluted (sen)	33	N/A	N/A		

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

The Group	Note	Share Capital RM	← Non-Distributable: Share Premium RM	Translation Reserve RM	Warrants Reserve RM →	Distributable: Retained Profits RM	Total Equity RM
Balance at 31.12.2011/1.1.2012		69,979,000	4,600,212	(513,403)	-	32,159,890	106,225,699
Issuance of shares	16 &17	23,326,333	927,924	-	5,232,757	-	29,487,014
Profit after tax for the financial year		-	-	-	-	22,891,303	22,891,303
Other comprehensive income for the financial year, net of tax:							
- Foreign currency translation		-	-	(73,976)	-	-	(73,976)
Total comprehensive income for the financial year		-	-	(73,976)	-	22,891,303	22,817,327
Distribution to owners of the Company - Dividend	34	-	-	-	-	(2,659,202)	(2,659,202)
Balance at 31.12.2012		93,305,333	5,528,136	(587,379)	5,232,757	52,391,991	155,870,838

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

The Group	Note	Share Capital RM	Share Premium RM	Translation Reserve RM	Warrants Reserve RM	Retained Profits RM	Attributable To Owner Of The Company RM	Non-Controlling interest RM	Total Equity RM
			← Non-Distributable		→	Distributable			
Balance at 31.12.2012/1.1.2013		93,305,333	5,528,136	(587,379)	5,232,757	52,391,991	155,870,838	-	155,870,838
Profit after tax for the financial year		-	-	-	-	20,592,243	20,592,243	(72,461)	20,519,782
Other comprehensive income for the financial year, net of tax:									
- Foreign currency translation		-	-	(125,982)	-	-	(125,982)	-	(125,982)
Total comprehensive income for the financial year		-	-	(125,982)	-	20,592,243	20,466,261	(72,461)	20,393,800
Contribution by and distribution to owners of the Company									
- Issuance of shares - by a subsidiary to non-controlling interests		-	-	-	-	-	-	200,000	200,000
- Dividend	34	-	-	-	-	(6,717,984)	(6,717,984)	-	(6,717,984)
Total transaction with owners		-	-	-	-	(6,717,984)	(6,717,984)	200,000	(6,517,984)
Balance at 31.12.2013		93,305,333	5,528,136	(713,361)	5,232,757	66,266,250	169,619,115	127,539	169,746,654

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

The Company	Note	Non-Distributable Share Capital RM	Non-Distributable Share Premium RM	Non-Distributable Warrants Reserve RM	Distributable Retained Reserve RM	Total Equity RM
Balance at 31.12.2011/1.1.2012		69,979,000	4,600,212	-	8,231,038	82,810,250
Issuance of shares	16 & 17	23,326,333	927,924	5,232,757	-	29,487,014
Total comprehensive income for the financial year		-	-	-	5,881,910	5,881,910
Distribution to owners of the Company - Dividend	34	-	-	-	(2,659,202)	(2,659,202)
Balance at 31.12.2012		93,305,333	5,528,136	5,232,757	11,453,746	115,519,972
Total comprehensive income for the financial year		-	-	-	11,986,815	11,986,815
Distribution to owners of the Company - Dividend	34	-	-	-	(6,717,984)	(6,717,984)
Balance at 31.12.2013		93,305,333	5,528,136	5,232,757	16,722,577	120,788,803

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

	Note	The Group 2013 RM	The Group 2012 RM	The Company 2013 RM	The Company 2012 RM
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES					
Profit before tax		27,147,490	27,554,829	13,912,355	7,364,898
Adjustments for:-					
Allowance for impairment losses on receivables		1,665,350	101,070	-	-
Dividend income		-	-	(14,514,083)	(8,669,333)
Depreciation of property, plant and equipment		5,193,739	5,408,621	24,698	7,284
Depreciation of investment properties		49,301	-	-	-
Gain on disposal of property, plant and equipment		(482,961)	(925,811)	-	-
(Gain)/Loss on foreign exchange					
- unrealised (trade)		(279,138)	201,409	-	-
Interest expenses					
- bank borrowings		1,318,625	1,508,940	588,134	673,327
- contingent consideration		81,775	288,242	81,775	288,242
Interest income		(752,239)	(321,226)	(550,272)	(26,030)
Loss on fair values changes in financial instruments		190,805	439,830	-	-
Property, plant and equipment written off		115	-	-	-
Reversal of allowance for impairment losses on trade receivables		(9,750)	(434,816)	-	-
Reversal of provision for retirement benefits		(34,000)	(24,000)	-	-
Operating profit/(loss) before working capital changes		34,089,112	33,797,088	(457,393)	(361,612)
(Increase)/Decrease in inventories		(8,546,040)	3,123,188	-	-
Decrease/(Increase) in trade and other receivables		3,925,221	(6,456,651)	-	-
Net increase in amount owing by subsidiaries		-	-	(100,000)	(1,576,398)
Increase/(Decrease) in trade and other payables		735,569	(8,413,039)	75,894	85,058
(Decrease)/Increase in amount owing to directors		(50,763)	78,917	-	-
CASH FROM/(FOR) OPERATIONS		30,153,099	22,129,503	(481,499)	(1,852,952)
Tax paid		(6,894,885)	(5,573,880)	(63,000)	(59,792)
Tax refund		1,371,919	319,105	6,715	-
NET CASH FROM/(FOR) OPERATING ACTIVITIES		24,630,133	16,874,728	(537,784)	(1,912,744)

		The Group		The Company	
		2013	2012	2013	2012
	Note	RM	RM	RM	RM
CASH FLOWS FOR INVESTING ACTIVITIES					
Dividend received		-	-	12,510,562	7,212,937
Interest received		752,239	321,226	550,272	26,030
Payment of contingent consideration		(5,000,000)	(3,500,000)	(5,000,000)	(3,500,000)
Withdrawal of fixed deposits		-	9,500,000	-	-
Proceeds from disposal of property, plant and equipment		1,019,938	1,403,152	-	-
Quasi loan granted to a subsidiary	5	-	-	(8,534,636)	(5,000,000)
Purchase of property, plant and equipment	35	(16,892,743)	(8,973,130)	-	(116,488)
Purchase of leasehold land	7	(896,652)	-	-	-
Investment in a subsidiary		-	-	(800,000)	-
NET CASH FOR INVESTING ACTIVITIES		(21,017,218)	(1,248,752)	(1,273,802)	(1,377,521)
CASH FLOWS (FOR)/ FROM FINANCING ACTIVITIES					
Dividend paid		(6,717,984)	(2,659,202)	(6,717,984)	(2,659,202)
Interest expenses		(1,400,400)	(1,508,940)	(669,909)	(673,327)
Drawdown of bankers' acceptances		-	4,205,885	-	-
Drawdown of bills payable		730,897	1,104,681	-	-
Net increase in amount owing to subsidiaries		-	-	2,816,287	-
Proceeds from issuance of share by a subsidiary to non-controlling interests		200,000	-	-	-
Proceeds from issuance of shares	16 & 17	-	29,857,706	-	29,857,706
Rights issue exercise expenses paid	17	-	(370,692)	-	(370,692)
Repayment of advances to directors		-	(350,000)	-	-
Repayment of bankers' acceptances		(4,359,756)	(12,536,456)	-	-
Repayment of hire purchase obligation		(1,252,030)	(362,242)	-	-
Repayment of term loans		(2,147,625)	(3,290,085)	(1,435,261)	(1,475,049)
NET CASH (FOR)/FROM FINANCING ACTIVITIES		(14,946,898)	14,090,655	(6,006,867)	24,679,436
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(11,333,983)	29,716,631	(7,818,453)	21,389,171
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		49,625,668	20,018,060	21,941,720	552,549
Effects of exchange differences		(25,829)	(109,023)	-	-
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	36	38,265,856	49,625,668	14,123,267	21,941,720

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 1301, 13th Floor, City Plaza Jalan Tebrau 80300 Johor Bahru Johor
Principal place of business	:	PTD 124298, Jalan Kempas Lama Kampung Seelong Jaya 81300 Skudai Johor

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 28 April 2014.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. 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.

(a) During the current financial year, the Group has adopted the following applicable new accounting standards and interpretations (including the consequential amendments, if any):-

MFRSs and IC Interpretations (Including The Consequential Amendments)
MFRS 10 Consolidated Financial Statements
MFRS 12 Disclosure of Interests in Other Entities
MFRS 13 Fair Value Measurement
MFRS 119 (2011) Employee Benefits
MFRS 127 (2011) Separate Financial Statements
Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10, MFRS 11 and MFRS 12: Transition Guidance
Amendments to MFRS 101: Presentation of Items of Other Comprehensive Income
Annual Improvements to MFRSs 2009 – 2011 Cycle

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

3. BASIS OF PREPARATION (Cont'd)

(b) The Group has not applied in advance the following applicable accounting standards and interpretations (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 IC Interpretations (including the Consequential Amendments)		Effective Date
MFRS 9 (2009) Financial Instruments	)	To be
MFRS 9 (2010) Financial Instruments	)	Announced
Amendments to MFRS 9, MFRS 7: Mandatory Effective Date of MFRS 9 and Transition Disclosure	)	By MASB
Amendments to MFRS 10, MFRS 12 and MFRS 127 (2011): Investment Entities		1 January 2014
Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions		1 July 2014
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities		1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets		1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting		1 January 2014
IC Interpretation 21 Levies		1 January 2014
Annual Improvements to MFRSs 2010 - 2012 Cycle		1 July 2014
Annual Improvements to MFRSs 2011 - 2013 Cycle		1 July 2014

The above accounting standards and interpretations (including the consequential amendments, if any) is not expected to have any financial impact on the Group's financial statements upon their initial application.

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 and production 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 provision in the period in which such determination is made.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.1 Critical Accounting Estimates and Judgements (Cont'd)

(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/off of inventories*

Reviews are made periodically by management on damaged and obsolete and slow-moving inventories. These reviews require management to consider the future demand for the products, technical assessment and subsequent events. The Group also adopts the write down policy by marking down the carrying amount of those slow-moving inventories using certain percentages on inventories which are aged more than 2 years (food and beverage segment) and 3 years (tin manufacturing segment) respectively. The percentages are derived base on the past historical movement trend of the inventories and judgement of the directors and management.

Where necessary, write off is made for all damaged and obsolete items. The Group writes off its damaged and obsolete inventories based on assessment of the condition and the future demand for the inventories. These inventories are written off when events or changes in circumstances indicate that the carrying amounts may not be recovered.

In general, such an evaluation process requires significant judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

(e) *Classification between Investment Properties and Owner occupied Properties*

The Group determines whether a property qualifies as an investment property, and has developed a criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independent of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

(f) *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 loan 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 judgement 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)

(g) 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.

(h) Impairment of Goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating unit to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

(i) 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 2013.

Subsidiaries are entities (including structured entities) controlled by the Group. The Group controls and 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.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.2 Basis of Consolidation (Cont'd)

(a) Business Combinations (Cont'd)

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.

(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 recognised any gain or loss on disposal in profit or loss which is calculated as the difference between:-

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

(b) 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 Goodwill

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised as a gain in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.4 Functional and Foreign Currencies

(a) *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.

(b) *Transactions and Balances*

Transactions in foreign currency are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss except for differences arising from the translation of available-for-sale equity instruments which are recognised in other comprehensive income.

(c) *Foreign Operations*

Assets and liabilities of foreign operations are translated to RM at the rates of exchange ruling at the end of the reporting period. Revenues and expenses of foreign operations are translated at exchange rates ruling at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity under translation reserve. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income relating to that particular foreign operation is reclassified from equity to profit or loss.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period except for those business combinations that occurred before the date of transition (1 Janaury 2011) which are treated as assets and liabilities of the Company and are not retranslated.

4.5 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. Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.5 Financial Instruments (Cont'd)

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.

(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.

(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.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.5 Financial Instruments (Cont'd)

(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

Instruments 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.

(d) Derecognition

A financial asset or part of it is derecognised 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.

4.6 Investments

(a) Investments in Subsidiaries

Investments in subsidiaries are stated at deemed 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 investments include 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.

(b) Transferable Golf Club Membership

Transferable golf club membership is stated at cost less impairment losses, if any.

4.7 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land is stated at cost less impairment losses, if any, and is not depreciated.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.7 Property, Plant and Equipment (Cont'd)

Depreciation is charged to profit or loss (unless it is included in the carrying amount of another asset) on the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. 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 remaining lease period
Factory buildings	2%
Plant and machinery	10 - 12.5%
Mould, tools and factory equipment	10%
Electrical installations and substation	10%
Motor vehicles	20%
Office equipment, furniture and fittings	10 - 25%
Renovation	10%

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

Building under construction represents asset which is not ready for commercial use at the end of the reporting period. Building under construction is stated at cost, and is depreciated accordingly when it is completed and ready for commercial use.

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 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 the profit or loss.

4.8 Investment Properties at the Cost Model

Investments properties are properties held either to earn rental income or for capital appreciation or for both. Investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is charged to profit or loss on the straight-line method over the estimated useful lives of the investment properties. The estimated useful lives of the investment properties are within 50 to 99 years.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

On the derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

Transfers are made to or from investment property only when there is a change in use. All transfers do not change the carrying amount of the property reclassified.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.9 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. For an equity instrument, a significant or prolonged decline in the fair value below its cost is considered to be objective evidence of impairment.

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.

In respect of assets other than goodwill, and 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.

4.10 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 4.7 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.

4.11 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 incurred in bringing the inventories to their present location and condition. Cost of finished goods and work-in-progress includes cost of materials, labour and an appropriate proportion of production overheads.

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

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.12 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 period 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.

4.13 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdrafts and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4.14 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.

4.15 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. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.16 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.

(c) Defined Benefit Plans

The Group has a non-contributory unfunded retirement benefits scheme for the unionised workers. The retirement benefit provided is based on the terms, which are stated in the agreement signed between the Group and the unionised workers, discounted at the appropriate rate without the application of any actuarial valuation methods.

4.17 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.

(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. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.18 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.

4.19 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.

4.20 Capitalisation of Borrowing Costs

Interest incurred on borrowings to property, plant and equipment is capitalised during the period activities to plan, develop and construct the assets are undertaken. Capitalisation of borrowing costs ceases when the assets are ready for their intended use or sale.

4.21 Revenue Recognition And Other Income

(a) Sales 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) Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

(c) Management Fee

Management fee is recognised on an accrual basis.

(d) Interest Income

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

(e) Rental Income

Rental income is recognised on an accrual basis.

5. INVESTMENTS IN SUBSIDIARIES

	The Company 2013 RM	The Company 2012 RM
Unquoted shares, at deemed cost	98,717,850	98,717,850
Addition during the year	800,000	-
	99,517,850	98,717,850
Quasi loans	14,634,701	9,634,701
Addition during the year	8,534,636	5,000,000
	23,169,337	14,634,701
	122,687,187	113,352,551

Quasi loans represent advances of which the settlement is neither planned nor likely to occur in the foreseeable future. These amounts, in substance, form part of the Company's net investment in the subsidiaries. The quasi loans are stated at cost less accumulated impairment losses, if any.

Details of the subsidiaries are as follows:-

Name of Company	Effective Equity Interest (%) 2013	Effective Equity Interest (%) 2012	Country of Incorporation	Principal Activities
Johore Tin Factory Sendirian Berhad ("JTFSB")	100	100	Malaysia	Manufacturing of various tins, cans and other containers and printing of tin plates
Unican Industries Sdn. Bhd.("UISB")	100	100	Malaysia	Manufacturing of various tins, cans and other containers
Kluang Tin And Can Factory Sdn. Bhd.	100	100	Malaysia	Manufacturing of various tins, cans and other containers
Able Dairies Sdn. Bhd.	100	100	Malaysia	Manufacturing and selling of milk and other related dairy products
Able Food Sdn. Bhd.	80	-	Malaysia	Trading of milk and other related dairy products

Subsidiary of JTFSB	Effective Equity Interest (%) 2013	Effective Equity Interest (%) 2012	Country of Incorporation	Principal Activities
PT Medan Johor Tin * (held through JTFSB-90% & UISB-10%)	100	100	Indonesia	Dormant

* This subsidiary is audited by other firm of chartered accountants.

Subscription shares in a subsidiary

During the financial year, the Company subscribed 800,000 ordinary shares of RM1.00 each representing 80% of the total issued and paid up capital of Able Food Sdn. Bhd. for a total consideration of RM800,000.00.

6. Property, Plant And Equipment

The Group

Net book value	At 1.1.2013 RM	Additions RM	Transfer to Investment Properties RM	Disposals RM	Written off RM	Translation Difference RM	Depreciation Charge RM	At 31.12.2013 RM
Freehold land	14,514,020	186,134	-	-	-	-	-	14,700,154
Leasehold land	238,545	-	(186,235)	-	-	-	(1,539)	50,771
Factory buildings	19,102,574	-	(604,479)	-	-	-	(422,424)	18,075,671
Plant and machinery	17,122,175	21,262,714	-	(301,893)	-	(154)	(3,295,299)	34,787,543
Mould, tools and factory equipment	2,170,539	55,246	-	-	-	-	(307,009)	1,918,776
Electrical installations and substation	1,141,900	1,192,434	-	-	-	-	(203,048)	2,131,286
Motor vehicles	1,820,054	691,904	-	(233,473)	-	-	(592,852)	1,685,633
Office equipment, furniture and fittings	985,356	337,095	-	(1,611)	(115)	(34)	(190,487)	1,130,204
Renovation	999,776	664,927	-	-	-	-	(181,081)	1,483,622
Building under construction	-	743,464	-	-	-	-	-	743,464
	58,094,939	25,133,918	(790,714)	(536,977)	(115)	(188)	(5,193,739)	76,707,124

Net book value	At 1.1.2012 RM	Additions RM	Disposals RM	Translation Difference RM	Depreciation Charge RM	At 31.12.2012 RM
Freehold land	9,188,888	5,794,760	(469,628)	-	-	14,514,020
Leasehold land	252,848	-	-	-	(14,303)	238,545
Factory buildings	19,562,600	-	-	-	(460,026)	19,102,574
Plant and machinery	18,933,391	1,984,025	(3,082)	(1,027)	(3,791,132)	17,122,175
Mould, tools and factory equipment	2,455,579	38,473	-	-	(323,513)	2,170,539
Electrical installations and substation	1,291,478	35,061	-	-	(184,639)	1,141,900
Motor vehicles	1,065,296	1,127,501	-	-	(372,743)	1,820,054
Office equipment, furniture and fittings	583,832	545,245	(4,631)	(116)	(138,974)	985,356
Renovation	865,002	258,065	-	-	(123,291)	999,776
	54,198,914	9,783,130	(477,341)	(1,143)	(5,408,621)	58,094,939

6. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The Group

2013	**At Cost RM**	**Accumulated Depreciation RM**	**Accumulated Impairment RM**	**Net Book Value RM**
Freehold land	14,700,154	-	-	14,700,154
Leasehold land	76,930	(26,159)	-	50,771
Factory buildings	21,121,174	(3,045,503)	-	18,075,671
Plant and machinery	79,636,885	(43,431,587)	(1,417,755)	34,787,543
Mould, tools and factory equipment	5,621,777	(3,703,001)	-	1,918,776
Electrical installations and substation	3,307,714	(1,176,428)	-	2,131,286
Motor vehicles	3,827,384	(2,141,751)	-	1,685,633
Office equipment, furniture and fittings	2,653,642	(1,523,438)	-	1,130,204
Renovation	2,573,329	(1,089,707)	-	1,483,622
Building under construction	743,464	-	-	743,464
	134,262,453	(56,137,574)	(1,417,755)	76,707,124

2012	**At Cost RM**	**Accumulated Depreciation RM**	**Accumulated Impairment RM**	**Net Book Value RM**
Freehold land	14,514,020	-	-	14,514,020
Leasehold land	639,585	(401,040)	-	238,545
Factory buildings	22,595,259	(3,492,685)	-	19,102,574
Plant and machinery	59,340,411	(40,800,481)	(1,417,755)	17,122,175
Mould, tools and factory equipment	5,566,531	(3,395,992)	-	2,170,539
Electrical installations and substation	2,115,280	(973,380)	-	1,141,900
Motor vehicles	4,350,070	(2,530,016)	-	1,820,054
Office equipment, furniture and fittings	2,274,852	(1,289,496)	-	985,356
Renovation	1,908,402	(908,626)	-	999,776
	113,304,410	(53,791,716)	(1,417,755)	58,094,939

The Company

Net book value	**At 1.1.2012 RM**	**Additions RM**	**Depreciation Charge RM**	**At 31.12.2013 RM**
Office equipment, furniture and fittings	113,173	-	(24,698)	88,475

Net book value	**At 1.1.2012 RM**	**Additions RM**	**Depreciation Charge RM**	**At 31.12.2012 RM**
Office equipment, furniture and fittings	3,969	116,488	(7,284)	113,173

6. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The Company

2013	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
Office equipment, furniture and fittings	232,274	(143,799)	88,475

2012	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
Office equipment, furniture and fittings	232,274	(119,101)	113,173

Included in the net book value of the property, plant and equipment of the Group are the following assets acquired under hire purchase terms:-

	The Group 2013 RM	2012 RM
Motor vehicles	970,571	1,445,341
Plant and machinery	14,110,065	509,386
	15,080,636	1,954,727

The following assets of the Group at net book value have been pledged to financial institutions for banking facilities as disclosed in Notes 24, 26 and 27 to the financial statements are as follows:-

	The Group 2013 RM	2012 RM
Freehold land and buildings	9,206,779	26,527,974

7. INVESTMENT PROPERTIES

The Group

Net book value	At 1.1.2013 RM	Transfer From Property, Plant and Equipment RM	Additions RM	Depreciation charges RM	At 31.12.2013 RM
Leasehold land	-	186,235	896,652	(11,699)	1,071,188
Buildings	-	604,479	-	(37,602)	566,877
	-	790,714	896,652	(49,301)	1,638,065

7. INVESTMENT PROPERTIES (Cont'd)

The Group

2013	**At cost RM**	**Accumulated depreciation RM**	**Net book value RM**
Leasehold land	1,459,307	(388,119)	1,071,188
Buildings	1,474,085	(907,208)	566,877
	2,933,392	(1,295,327)	1,638,065

The fair value of investment properties is RM5,000,000 as at end of the reporting period, it has been arrived at on the basis of the Directors' best estimate.

8. GOODWILL

	The Group 2013 RM	**2012 RM**
At 1 January/31 December	10,650,327	10,650,327

(a) The carrying amount of goodwill is allocated to the following cash-generating unit:-

	The Group 2013 RM	**2012 RM**
Foods and beverage	10,650,327	10,650,327

(b) The Group has assessed the recoverable amounts of goodwill allocated and determined that no impairment is required. The recoverable amounts of the cash-generating units are determined using the value-in-use approach, and this is derived from the present value of the future cash flows from the operating segments computed based on the projections of financial budgets approved by management covering a period of 5 years. The key assumptions used in the determination of the recoverable amounts are as follows:-

	Gross Margin		**Growth Rate**		**Discount Rate**	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**
FOODS AND BEVERAGE	15%	10%	3.4%	5%	13.7%	10%

(I) BUDGETED GROSS MARGIN	Average gross margin achieved in the 2 years immediately before the budgeted period increased for expected efficiency improvements and cost saving measures.
(II) GROWTH RATE	Assume 3.4 percent growth for the subsequent 5 years.
(III) DISCOUNT RATE (PRE - TAX)	Reflect specific risk relating to that operating segment.

9. OTHER INVESTMENT

	The Group	
	2013 RM	2012 RM
Transferable golf club membership, at cost	16,500	16,500

10. INVENTORIES

	The Group	
	2013 RM	2012 RM
At cost:-		
Raw materials	41,103,039	29,835,055
Work-in-progress	9,031,942	11,115,276
Finished goods	6,452,972	3,340,711
Goods-in-transit	1,430,580	5,224,150
	58,018,533	49,515,192
At net realisable value:-		
Raw materials	247,169	170,570
Work-in-progress	-	33,900
	58,265,702	49,719,662

11. TRADE RECEIVABLES

	The Group	
	2013 RM	2012 RM
Trade receivables	44,454,424	45,879,486
Allowance for impairment losses	(3,081,270)	(1,425,670)
	41,373,154	44,453,816
Allowance for impairment losses at 1 January	1,425,670	1,759,416
Addition during the financial year	1,665,350	101,070
Reversal during the financial year	(9,750)	(434,816)
Allowance for impairment losses at 31 December	3,081,270	1,425,670

(a) The Group's normal trade credit terms range from 30 to 120 days (2012: 30 to 120 days).

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

Included in the trade receivables is an amount of RM821,670 (2012: RM1,504,649) owing by a company in which a director of a subsidiary of the Company has a substantial financial interest.

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group	
	2013 RM	2012 RM
Other receivables	124,694	172,206
Deposits	1,080,173	3,183,559
Prepayments	220,633	173,432
	1,425,500	3,529,197

Included in the other receivables was an amount of RM27,123 owing by a company in which a director of a subsidiary of the Company has a substantial financial interest in prior financial year end.

13. AMOUNT OWING BY/(TO) SUBSIDIARIES

	The Company	
	2013 RM	2012 RM
Amount owing by/(to) subsidiaries		
Current		
Trade balances	950,000	850,000
Non-trade balances	(4,744,889)	(1,928,602)
	(3,794,889)	(1,078,602)

Trade balance arises from trade transactions, while non-trade balance represents advances, both of which are unsecured, interest-free and repayable on demand.

14. DERIVATIVE (LIABILITIES)/ASSETS

	The Group			
	Contract/ Notional Amount		Liabilities	Assets
	2013 RM	2012 RM	2013 RM	2012 RM
Forward foreign currency contracts	10,645,375	7,973,000	(166,005)	24,800

The Group does not apply hedge accounting.

(a) Forward foreign currency contracts are used to hedge the Group's purchases denominated in United States Dollar ("USD") for which firm commitments existed at the end of the reporting period. The settlement dates on forward foreign currency contracts range between 1 to 6 months after the end of the reporting period.

(b) In current financial year, the Group recognised a loss of RM190,805 arising from fair value changes of derivative assets. The fair value changes are attributable to changes in foreign exchange spot and forward rate. The method and assumptions applied in determining the fair value of derivative are disclosed in Note 44.4 to the financial statements.

15. FIXED DEPOSITS IN LICENSED BANKS

The fixed deposits in licensed banks of the Group at the end of the reporting period bore effective interest rates ranging from 2.04% to 3.20% (2012: 2.17% to 3.45%) per annum. The deposits have maturity period ranging from 1 to 12 months.

16. SHARE CAPITAL

	The Group And The Company			
	2013 No. of shares	**2012 No. of shares**	**2013 RM**	**2012 RM**
ORDINARY SHARES OF RM1.00 EACH:-				
AUTHORISED				
At 1 January	200,000,000	100,000,000	200,000,000	100,000,000
Creation of shares	-	100,000,000	-	100,000,000
At 31 December	200,000,000	200,000,000	200,000,000	200,000,000
ISSUED AND FULLY PAID-UP				
At 1 January	93,305,333	69,979,000	93,305,333	69,979,000
Issuance of shares	-	23,326,333	-	23,326,333
At 31 December	93,305,333	93,305,333	93,305,333	93,305,333

In the previous financial year, the Company increased its:-

(i) authorised share capital from RM100,000,000 to RM200,000,000 through the creation of 100,000,000 shares of RM1.00 each; and

(ii) issued and paid-up share capital by way of a renounceable rights issue of 23,326,333 new ordinary shares of RM1.00 each ("Rights Share(s)") together with 23,326,333 free detachable warrants ("Warrant(s)") at an issue price of RM1.28 per Rights Share on the basis of one Rights Share and one Warrant for every three existing ordinary shares of RM1.00 each held in the Company.

17. RESERVES

	The Group		The Company	
	2013 RM	**2012 RM**	**2013 RM**	**2012 RM**
Non-distributable reserves:-				
- Share premium	5,528,136	5,528,136	5,528,136	5,528,136
- Translation reserve	(713,361)	(587,379)	-	-
- Warrants reserve	5,232,757	5,232,757	5,232,757	5,232,757
	10,047,532	10,173,514	10,760,893	10,760,893
Distributable reserve:-				
- Retained profits	66,266,250	52,391,991	16,722,577	11,453,746
	76,313,782	62,565,505	27,483,470	22,214,639

17. RESERVES (Cont'd)

Share premium

The share premium arose from the issuance of shares by way of private placement and public offer net of share issue expenses. The share premium reserve is not distributable by way of dividends and may be utilised in the manner as set out in Section 60(3) of the Companies Act 1965.

The movements of the share premium are as follows:-

	The Group And The Company 2013 RM	2012 RM
At 1 January	5,528,136	4,600,212
Arising from Rights Issue with Warrants	-	6,531,373
Allocation to warrants reserve	-	(5,298,540)
Applied for share issue expenses pursuant to Rights Shares	-	(304,909)
	-	927,924
At 31 December	5,528,136	5,528,136

Translation reserve

Translation reserve represents the exchange differences arising from the translation of the financial statements of a foreign subsidiary and is not distributable by way of dividends.

Warrants reserve

The warrants reserves arose from the allocation of the proceeds from the issuance of the warrants by reference to the fair value of the warrants and net of expenses incurred in relation to the rights issue in previous financial year.

The movements in the warrants reserve are as follows:-

	The Group And The Company 2013 RM	2012 RM
At 1 January	5,232,757	-
Arising from Rights Issue with Warrants	-	5,298,540
Applied for warrants issue expenses	-	(65,783)
At 31 December	5,232,757	5,232,757

17. RESERVES (Cont'd)

Warrants reserve (Cont'd)

The main features of the Warrants are as follows:-

(a) Each Warrant will entitle its registered holder during the exercise period to subscribe for one new ordinary share at the exercise price, subject to adjustment in accordance with the provision of the Deed Poll as disclosed in the Director's Report.

(b) The exercise price of each Warrant has been fixed at RM2.28, subject to adjustments under circumstances in accordance with the provision of the Deed Poll.

(c) The exercise period shall commence from the date of issue of the Warrants and will expire on 24 November 2017, 5.00pm. Any Warrant which has not been exercised will lapse and cease thereafter to be valid for any purpose.

(d) The new ordinary shares of RM2.28 each pursuant to the exercise of the Warrants will rank pari passu in all respects with the existing issued ordinary shares of the Company.

No warrants were exercised during the financial year ended 31 December 2013. As at the end of the reporting date, 23,326,333 Warrants remain unexercised.

Retained profits

Under the single tier tax system, tax on the Company's profits is the final tax and accordingly, any dividends to the shareholders are not subject to tax.

18. LONG TERM BORROWINGS

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Hire purchase payables (Note 25)	5,354,177	707,356	-	-
Term loans (Note 26)	10,208,569	12,121,003	5,623,431	7,058,692
	15,562,746	12,828,359	5,623,431	7,058,692

19. RETIREMENT BENEFITS

	The Group	
	2013 RM	2012 RM
At 1 January	335,000	359,000
Reversal during the financial year (Note 30)	(34,000)	(24,000)
At 31 December	301,000	335,000

Retirement benefits represent the Group's obligation in respect of a non-contributory unfunded retirement benefit plan to unionised workers. The amount as at the end of the reporting period approximates the present value of the unfunded obligation.

19. RETIREMENT BENEFITS (Cont'd)

Key assumptions used for computing the addition for the year.

	The Group	
	2013	2012
Discount rate	7.50%	4.61%
Annual salary increment per worker	RM78.00	RM65.00

20. DEFERRED TAX LIABILITIES

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
At 1 January	4,006,600	3,660,000	28,300	-
Recognised in profit or loss (Note 32)	1,206,337	346,600	(7,100)	28,300
At 31 December	5,212,937	4,006,600	21,200	28,300

(a) Deferred tax liabilities are attributable to the following items:-

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Deferred tax liabilities:-				
- Accelerated capital allowances	5,335,137	4,544,100	21,200	28,300
Deferred tax assets:-				
- Unabsorbed tax losses	(50,000)	(399,700)	-	-
- Other temporary differences	(72,200)	(137,800)	-	-
Gross deferred tax assets	(122,200)	(537,500)	-	-
Net deferred tax liabilities	5,212,937	4,006,600	21,200	28,300

20. DEFERRED TAX LIABILITIES (Cont'd)

(b) The components and movements of deferred tax liabilities and assets during the year prior to offsetting are as follows:-

The Group

Deferred tax liabilities:-	Accelerated capital allowances RM	Other temporary differences RM	Total RM
Balance at 1 January 2013	4,544,100	-	4,544,100
Recognised in profit or loss	791,037	-	791,037
Balance at 31 December 2013	5,335,137	-	5,335,137
Balance at 1 January 2012	4,548,100	13,700	4,561,800
Recognised in profit or loss	(4,000)	(13,700)	(17,700)
Balance at 31 December 2012	4,544,100	-	4,544,100

The Group

Deferred tax assets:-	Unabsorbed tax losses RM	Other temporary differences RM	Total RM
Balance at 1 January 2013	(399,700)	(137,800)	(537,500)
Recognised in profit or loss	349,700	65,600	415,300
Balance at 31 December 2013	(50,000)	(72,200)	(122,200)
Balance at 1 January 2012	(756,000)	(145,800)	(901,800)
Recognised in profit or loss	356,300	8,000	364,300
Balance at 31 December 2012	(399,700)	(137,800)	(537,500)

The Company

Deferred tax liabilities:-	Accelerated capital allowances RM
Balance at 1 January 2013	28,300
Recognised in profit or loss	(7,100)
Balance at 31 December 2013	21,200
Balance at 1 January 2012	-
Recognised in profit or loss	28,300
Balance at 31 December 2012	28,300

21. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 120 days (2012: 30 to 120 days).

22. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Other payables	2,721,403	1,401,336	-	-
Accrued expenses	3,737,180	3,841,155	507,930	784,893
Deposits received	840,253	1,779,210	-	-
	7,298,836	7,021,701	507,930	784,893

Included in the other receivables is an amount of RM69,643 owing by a company in which a director of a subsidiary of the Company has a substantial financial interest.

23. AMOUNT OWING TO DIRECTORS

The amount owing to directors is unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

24. SHORT TERM BORROWINGS

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Bankers' acceptance	-	398,000	-	-
Foreign currency trade loan	-	7,924,557	-	-
Bills payable	798,704	1,728,881	-	-
Foreign currency trust receipts	9,655,148	3,873,254	-	-
Revolving credit	5,000,000	5,000,000	5,000,000	5,000,000
Hire purchase payables (Note 25)	2,903,668	561,344	-	-
Term loans (Note 26)	1,892,886	2,128,077	1,428,000	1,428,000
	20,250,406	21,614,113	6,428,000	6,428,000

Bankers' acceptance, foreign currency trade loan, bills payable, foreign currency trust receipts and revolving credit are drawn for period ranging from 30 days to 104 days (2012: 30 to 168 days).

Bankers' acceptance, foreign currency trade loan, bills payable, foreign currency trust receipts, revolving credit and term loans are secured by way of:-

(i) legal charges over certain landed properties of the Group; and

(ii) corporate guarantees from the Company.

25. HIRE PURCHASE PAYABLES

	The Group	
	2013	2012
	RM	RM
Minimum hire purchase payment:-		
- not later than one year	2,930,475	607,840
- later than one year and not later than five years	5,387,021	749,670
	8,317,496	1,357,510
Less : Future finance charges	(59,651)	(88,810)
Present value of hire purchase payables	8,257,845	1,268,700

The present value of hire purchase payables is repayable as follows:-

	The Group	
	2013	2012
	RM	RM
Current:-		
- not later than one year (Note 24)	2,903,668	561,344
Non-current:-		
- later than one year and not later than five years (Note 18)	5,354,177	707,356
	8,257,845	1,268,700

26. TERM LOANS

	The Group		The Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Current portion:-				
- repayable within one year (Note 24)	1,892,886	2,128,077	1,428,000	1,428,000
Non-current portion:-				
- repayable between one and two years	1,915,433	1,892,290	1,428,000	1,428,000
- repayable between two and five years	5,804,214	5,816,400	4,195,431	4,284,000
- repayable more than five years	2,488,922	4,412,313	-	1,346,692
Total non-current portion (Note 18)	10,208,569	12,121,003	5,623,431	7,058,692
	12,101,455	14,249,080	7,051,431	8,486,692

26. TERM LOANS (Cont'd)

The term loans are secured in the same manner as the short term borrowings as disclosed in Note 24 to the financial statements and are repayable as follows:

Term loan 1 at 3 months Cost Of Funds (COF) + 0.75% per annum	Repayable in 28 quarterly instalments of RM250,000, effective from June 2006.
Term loan 2 at Base Lending Rate - 1.75% per annum	Repayable in 180 monthly instalments of RM59,151, effective from March 2008.
Term loan 3 at COF + 1.15% per annum	Repayable in 83 monthly instalments of RM119,000 and final instalment of RM123,000, effective from December 2011.

27. BANK OVERDRAFTS

Bank overdrafts of the Group to a limit of RM3,500,000 (2012: RM3,500,000) are repayable on demand and are secured in the same manner as the short term borrowings as disclosed in Note 24 to the financial statements.

28. CONTINGENT CONSIDERATION

	The Group And The Company	
	2013 RM	2012 RM
Current portion	-	4,647,143

The contingent consideration represents the fair value of the outstanding purchase consideration payable to the vendors of a subsidiary which had been acquired in the financial year ended 31 December 2011. The payment of the outstanding contingent consideration was made on 6 August 2013.

Key assumption used for computing the fair value of the outstanding purchase consideration:

	The Group	
	2013	2012
Discount rate	-	5%
Outstanding purchase consideration - at cost	-	RM5,000,000

29. REVENUE

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Sales of goods	241,383,678	246,361,334	-	-
Dividend income	-	-	14,514,083	8,669,333
Management fee income	-	-	950,000	850,000
	241,383,678	246,361,334	15,464,083	9,519,333

30. EMPLOYEE BENEFITS

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Short term employee benefits	19,923,543	17,336,844	994,142	773,976
Contribution to a defined contribution plan	1,394,526	1,320,128	69,910	42,946
Reversal from a non-contributory unfunded retirement benefit plan (Note 19)	(34,000)	(24,000)	-	-
	21,284,069	18,632,972	1,064,052	816,922

Included in employee benefits is key management personnel compensation as disclosed in Note 38(b) to the financial statements.

31. PROFIT BEFORE TAX

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Profit before tax is arrived at after charging:-				
Allowance for impairment losses on receivables	1,665,350	101,070	-	-
Audit fee - statutory audit	118,000	115,000	25,000	25,000
- (over)/under provision in previous financial year	(6,000)	7,135	-	-
Direct operating expenses on investment properties	10,995	-	-	-
Directors' remuneration				
- Directors' fee - current year	686,000	790,000	296,000	300,000
- over provision in previous financial year	(14,000)	-	(14,000)	-
- EPF contributions	391,740	289,920	19,740	6,720
- other emoluments	3,783,320	2,824,320	297,000	112,000
Interest expenses				
- bank borrowings	1,318,625	1,508,940	588,134	673,327
- contingent consideration	81,775	288,242	81,775	288,242
Loss on fair values changes in financial instruments - unrealised	190,805	439,830	-	-
Loss on foreign exchange - realised (trade)	1,142,930	-	-	-
Loss on foreign exchange - unrealised (trade)	26,839	201,409	-	-
Property, plant and equipment written off	115	-	-	-
Rental expenses				
- premises	423,040	361,598	-	-
- office equipment	11,395	11,904	-	-
- factory equipment	472,187	453,041	-	-
- motor vehicle	163,550	59,480	-	-

31. PROFIT BEFORE TAX (Cont'd)

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Profit before tax is arrived at after crediting:-				
Dividend income	-	-	14,514,083	8,669,333
Gain on disposal of property, plant and equipment	482,961	925,811	-	-
Gain on foreign exchange - realised (non-trade)	16,786	20,338	-	-
Gain on foreign exchange - realised (trade)	31,797	657,584	-	-
Gain on foreign exchange - unrealised (trade)	305,977	-	-	-
Interest income	752,239	321,226	550,272	26,030
Rental income	214,950	144,000	-	-
Reversal of allowance for impairment losses on trade receivables	9,750	434,816	-	-

32. TAX EXPENSE

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Malaysian income tax				
- Current year	5,495,700	4,363,901	2,013,521	1,456,396
- Over provision in previous financial year	(74,329)	(46,975)	(80,881)	(1,708)
	5,421,371	4,316,926	1,932,640	1,454,688
Deferred tax (Note 20)				
- Relating to origination/(reversal) of temporary differences	1,462,100	238,300	(6,200)	27,300
- Effect of proposed change in corporate income tax rate from 25% to 24%	(212,663)	-	(900)	-
- (Over)/Under provision in previous financial year	(43,100)	108,300	-	1,000
	1,206,337	346,600	(7,100)	28,300
	6,627,708	4,663,526	1,925,540	1,482,988

Subject to the agreement with the tax authorities, at the end of the reporting period, the unutilised reinvestment allowances and unutilised tax losses of the Group are as follows:-

	The Group	
	2013 RM	2012 RM
Unutilised reinvestment allowances	5,939,000	5,600,000
Unutilised tax losses	3,044,000	3,044,000
	8,983,000	8,644,000

32. TAX EXPENSE (Cont'd)

A reconciliations of the income tax expense applicable to profit before tax at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company are as follows:-

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Profit before tax	27,147,490	27,554,829	13,912,355	7,364,898
Malaysian taxation at statutory rate	6,786,873	6,888,707	3,478,089	1,841,225
Tax credit in tax attributable to the dividend income	-	45,805	-	45,805
Tax effects of:-				
Expenses disallowed for tax purposes	796,345	537,290	204,221	308,142
Non-taxable income	(86,657)	(123,127)	(1,674,989)	(711,476)
Effect of proposed change in corporate income tax rate from 25% to 24%	(212,663)	-	(900)	-
Deferred tax asset not recognised in current year	82,065	-	-	-
Over provision of income tax in previous financial year	(74,329)	(46,975)	(80,881)	(1,708)
(Over)/Under provision of deferred tax in previous financial year	(43,100)	108,300	-	1,000
Tax incentive utilised	(620,826)	(2,746,474)	-	-
Tax expense for the financial year	6,627,708	4,663,526	1,925,540	1,482,988

33. EARNINGS PER SHARE

Basic	The Group	
	2013 RM	2012 RM
Net profit attribute to ordinary shareholders	20,592,243	22,891,303
Number of shares in issue as at 31 December (weighted average)	93,305,333	74,180,248
Basic earnings per share (sen)	22.07	30.86

The diluted earnings per ordinary share is not presented as there is no dilutive effect noted during the year. The issue of warrants does not have a dilutive effect to the earnings per ordinary share as the average market price of ordinary shares as at the end of the reporting period was below the exercise price of the warrants.

34. DIVIDEND

	The Group And The Company 2013 RM	2012 RM
Paid:-		
In respect of previous financial year:-		
Single tier final tax exempt dividend of 4.20 sen (2012: 3.80 sen) per ordinary share	3,918,824	2,659,202
In respect of current financial year:-		
Single tier interim tax exempt dividend of 3 sen per ordinary share	2,799,160	-
	6,717,984	2,659,202

35. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Cost of property, plant and equipment purchased	25,133,918	9,783,130	-	116,488
Amount financed through hire purchase	(8,241,175)	(810,000)	-	-
Cash disbursed for purchase of property, plant and equipment	16,892,743	8,973,130	-	116,488

36. CASH AND CASH EQUIVALENTS

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

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Cash and bank balances	27,083,151	23,678,850	2,971,296	1,119,862
Fixed deposits in licensed banks	11,182,705	26,104,837	11,151,971	20,821,858
Bank overdrafts	-	(158,019)	-	-
	38,265,856	49,625,668	14,123,267	21,941,720

37. DIRECTORS' REMUNERATION

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

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Non-executive directors				
- fees	241,000	235,000	221,000	215,000
Executive directors				
- fees	445,000	555,000	75,000	85,000
- salaries and bonuses	3,783,320	2,824,320	297,000	112,000
- defined contribution plan	391,740	289,920	19,740	6,720
	4,861,060	3,904,240	612,740	418,720

The details of emoluments for the directors of the Company received/receivable for the financial year by category and in bands of RM50,000 are as follows:-

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Non-executive directors				
Below RM50,000	1	1	-	-
RM50,001 - RM100,000	3	3	3	3
Executive directors				
Below RM50,000	-	-	2	2
RM100,001 - RM150,000	-	1	-	1
RM200,001 - RM250,000	1	-	-	-
RM300,001 - RM350,000	1	1	1	-
RM400,001 - RM450,000	1	1	-	-
RM550,001 - RM600,000	1	-	-	-
RM650,001 - RM700,000	-	1	-	-
RM700,001 - RM750,000	1	-	-	-
RM800,001 - RM850,000	1	1	-	-
RM1,250,001 - RM1,300,000	-	1	-	-
RM1,500,001 - RM1,550,000	1	1	-	-

38. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) The Company had the following transactions with related parties during the financial year:-

	The Company 2013 RM	The Company 2012 RM
Subsidiaries		
Dividends received/receivable	14,514,083	8,669,333
Management fees receivable	950,000	850,000

	The Group 2013 RM	The Group 2012 RM
Company in which a subsidiary's director has substantial financial interest		
Sales of goods	5,651,143	2,864,338
Purchases of goods	1,146,854	263,579
Director of a subsidiary		
Rental of factory premises paid/payable	16,800	16,800
Spouse of a subsidiary's director		
Purchase of land	-	5,794,760

(b) Compensation of key management personnel

	The Group		The Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Short-term employee benefits	4,697,880	3,603,320	593,000	412,000
Post-employment benefit				
- Defined contribution plan	419,394	316,800	19,740	6,720
	5,117,274	3,920,120	612,740	418,720

39. CAPITAL COMMITMENTS

	The Group 2013 RM	The Group 2012 RM
<u>Contracted But Not Provided For:-</u>		
Plant and machinery	2,128,416	15,610,560

40. OPERATING LEASE COMMITMENTS

(a) Leases As Lessor

The Company leases out its investment properties. The future minimum lease payments under the non-cancellable operating leases are as follows:-

	The Group And The Company 2013 RM	2012 RM
Not more than one year	24,000	-

41. CONTINGENT LIABILITIES

	The Company 2013 RM	2012 RM
Corporate guarantee given to licensed banks for banking facilities granted to subsidiaries	29,915,173	20,960,853

42. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Chief Executive Officer as its chief operating decision maker in order to allocate resources to segments and to assess their performance.

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Chief Executive Officer as its chief operating decision maker in order to allocate resources to segments and to assess their performance.

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

(i) Investment holding – involved in the business of investment holding and provision of management services.

(ii) Tin manufacturing – involved in the manufacturing of various tins, cans and other containers.

(iii) Food and beverage – involved in manufacturing and selling of milk and other related dairy products.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the business 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.

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

42. OPERATING SEGMENTS (Cont'd)

Business Segments

	Investment Holding RM	Tin Manufacturing RM	Foods & Beverage RM	Group RM
2013				
Revenue				
External revenue	-	83,073,932	158,309,746	241,383,678
Inter-segment revenue	950,000	17,502,980	1,008,076	19,461,056
Dividend income	14,514,083	-	-	14,514,083
Total revenue	15,464,083	100,576,912	159,317,822	275,358,817
Eliminations				(33,975,139)
Consolidated revenue				241,383,678
Results				
Segment results	15,484,781	12,873,003	21,071,656	49,429,440
Adjustments and eliminations	(15,464,083)	895,381	623,535	(13,945,167)
Finance costs	(669,909)	(365,169)	(513,457)	(1,548,535)
Tax expense	77,981	(2,718,629)	(3,987,060)	(6,627,708)
	(571,230)	10,684,586	17,194,674	27,308,030
Other material items of income	550,272	873,882	341,723	1,765,877
Depreciation of property, plant and equipment	(24,698)	(2,847,617)	(2,321,424)	(5,193,739)
Depreciation of investment properties	-	(49,301)	-	(49,301)
Other material items of expenses	-	(166,457)	(1,525,732)	(1,692,189)
Other non-cash expenses	-	-	(190,805)	(190,805)
	(45,656)	8,495,093	13,498,436	21,947,873
Unallocated expenses				(1,428,091)
Consolidated profit after tax				20,519,782
Assets				
Segment assets	137,862,922	137,932,741	86,196,797	361,992,460
Eliminations				(133,753,739)
				228,238,721
Unallocated assets				2,953,997
Consolidated total assets				231,192,718
Liabilities				
Segment liabilities	3,810,458	15,483,776	18,770,407	38,064,641
Eliminations				(21,682,024)
				16,382,617
Unallocated liabilities				45,063,447
Consolidated total liabilities				61,446,064
Other Segment Items				
Additions to non-current assets other than financial instruments :-				
- Property, plant and equipment	-	19,005,965	6,127,953	25,133,918

42. OPERATING SEGMENTS (Cont'd)

Business Segments (Cont'd)

	Investment Holding RM	Tin Manufacturing RM	Foods & Beverage RM	Group RM
2012				
Revenue				
External revenue	-	82,031,411	164,329,923	246,361,334
Inter-segment revenue	850,000	19,357,608	-	20,207,608
Dividend income	8,669,333	-	-	8,669,333
Total revenue	9,519,333	101,389,019	164,329,923	275,238,275
Eliminations				(28,876,941)
Consolidated revenue				246,361,334
Results				
Segment results	9,516,617	15,551,579	18,086,645	43,154,841
Adjustments and eliminations	(9,519,333)	(2,345,505)	3,781,309	(8,083,529)
Finance costs	(951,569)	(500,583)	(520,358)	(1,972,510)
Tax expense	(26,593)	(2,780,005)	(1,856,928)	(4,663,526)
	(980,878)	9,925,486	19,490,668	28,435,276
Other material items of income	26,030	1,700,314	99,509	1,825,853
Depreciation of property, plant and equipment	(7,284)	(3,601,309)	(1,800,028)	(5,408,621)
Other material items of expenses	-	(105,868)	(196,611)	(302,479)
Other non-cash expenses	-	-	(439,830)	(439,830)
	(962,132)	7,918,623	17,153,708	24,110,199
Unallocated expenses				(1,218,896)
Consolidated profit after tax				22,891,303
Assets				
Segment assets	136,144,271	124,756,050	72,189,498	333,089,819
Eliminations				(116,930,064)
				216,159,755
Unallocated assets				2,332,973
Consolidated total assets				218,492,728
Liabilities				
Segment liabilities	7,360,638	11,666,584	18,013,202	37,040,424
Eliminations				(14,188,064)
				22,852,360
Unallocated liabilities				39,769,530
Consolidated total liabilities				62,621,890
Other Segment Items				
Additions to non-current assets other than financial instruments :-				
- Property, plant and equipment	116,488	898,674	8,767,968	9,783,130

42. OPERATING SEGMENTS (Cont'd)

Business Segments (Cont'd)

(a) Other material items of income consist of the following:-

	The Group	
	2013 RM	2012 RM
Gain on disposal of property, plant and equipment	482,961	925,811
Gain on foreign currency – unrealised (trade)	305,977	-
Interest income	752,239	321,226
Rental income	214,950	144,000
Reversal of allowance for impairment losses on trade receivables	9,750	434,816
	1,765,877	1,825,853

(b) Other material items of expenses consist of the following:-

	The Group	
	2013 RM	2012 RM
Allowance for impairment losses on trade receivables	1,665,350	101,070
Loss on foreign currency – unrealised (trade)	26,839	201,409
	1,692,189	302,479

(c) Other material non-cash expenses consist of the following:-

	The Group	
	2013 RM	2012 RM
Loss on fair values changes in financial instruments	190,805	439,830

Geographical Segments

	REVENUE		NON-CURRENT ASSET	
	2013 RM	2012 RM	2013 RM	2012 RM
Africa	80,249,788	44,129,493	-	-
Asia	79,805,219	78,056,442	-	3,839
Malaysia	62,472,524	111,532,162	89,012,016	68,757,927
Others	18,856,147	12,643,237	-	-
	241,383,678	246,361,334	89,012,016	68,761,766

42. OPERATING SEGMENTS (Cont'd)

Major Customers

The Group has five (2012: five) major customers with individual revenue contribution equal to or more than 5% of Group revenue and cumulatively accounting for 26% (2012: 33%) of Group revenue.

43. MATERIAL LITIGATION

A suit was brought by General Containers Sdn Bhd ("GCSB") against the former director of GCSB for breach of fiduciary duties and against the subsidiaries of the Company, Johore Tin Factory Sendirian Berhad and Unican Industries Sdn. Bhd. ("Defendants") for conspiring to divest GCSB's vital assets and business. A judgement was ruled in favour of the abovementioned Defendants by the Federal Court on 9 November 2013. The suit was dismissed by the Federal Court with costs.

GCSB is no longer able to appeal further.

44. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risks (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.

44.1 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 is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. The currencies giving rise to this risk are primarily United States Dollar, Singapore Dollar and Euro. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group maintains a natural hedge, whenever is possible, by matching the receivables and the payables in the same currency, any unmatched balance will be hedged by the forward foreign currency contracts.

The Group's exposure to foreign currency is as follows:-

The Group	**United States Dollar RM**	**Singapore Dollar RM**	**Euro RM**
2013			
Financial Assets			
Trade receivables	19,056,386	3,931,931	-
Other receivables, deposits and prepayments	865,116	-	-
Cash and bank balances	6,364,485	1,554,552	402,411
	26,285,987	5,486,483	402,411

44. FINANCIAL INSTRUMENTS (Cont'd)

44.1 Financial Risk Management Policies (Cont'd)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The Group	**United States Dollar RM**	**Singapore Dollar RM**	**Euro RM**
2013			
Financial liabilities			
Trade payables	3,725,241	202,108	-
Other payables and accruals	453,031	6,858	-
Bank borrowings	10,453,852	7,483,968	-
	14,632,124	7,692,934	-
Currency Exposure	11,653,863	(2,206,451)	402,411
2012			
Financial Assets			
Trade receivables	20,496,961	3,873,361	-
Other receivables, deposits and prepayments	66,608	-	3,034,080
Cash and bank balances	10,070,710	372,829	-
	30,634,279	4,246,190	3,034,080
Financial liabilities			
Trade payables	4,881,889	111,050	-
Other payables and accruals	31,228	(2,693)	-
Bank borrowings	13,924,691	-	-
	18,837,808	108,357	-
Currency Exposure	11,796,471	4,137,833	3,034,080

44. FINANCIAL INSTRUMENTS (Cont'd)

44.1 Financial Risk Management Policies (Cont'd)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign currency risk sensitivity analysis

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

	The Group	
Effects On Profit After Tax	**2013 Increase/ (Decrease) RM**	**2012 Increase/ (Decrease) RM**
United States Dollar:-		
- strengthened by 12% (2012: 6%)	905,283	448,886
- weakened by 12% (2012: 6%)	(905,283)	(448,886)
Singapore Dollar:-		
- strengthened by 8% (2012: 5%)	(290,339)	183,609
- weakened by 8% (2012: 5%)	290,339	(183,609)
Euro:-		
- strengthened by 16%	48,289	-
- weakened by 16%	(48,289)	-
Japanese Yen:-		
- strengthened by 13%	-	149,293
- weakened by 13%	-	(149,293)

	The Company	
Effects On Equity	**2013 Increase/ (Decrease) RM**	**2012 Increase/ (Decrease) RM**
Indonesia Rupiah:-		
- strengthened by 18% (2012:9%)	(122,491)	(72,772)
- weakened by 18% (2012: 9%)	122,491	72,772

(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 arising from Group's interest-bearing financial liabilities. The Group's policy is to obtain the most favourable interest rates available.

44. FINANCIAL INSTRUMENTS (Cont'd)

44.1 Financial Risk Management Policies (Cont'd)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

Interest rate risk sensitivity analysis

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

	The Group		The Company	
	2013 Increase/ (Decrease) RM	2012 Increase/ (Decrease) RM	2013 Increase/ (Decrease) RM	2012 Increase/ (Decrease) RM
Effects On Profit After Tax				
Increase of 30 basis points(bp) (2012: 100)	(13,814)	(23,407)	9,226	92,514
Decrease of 30 bp (2012: 100)	13,814	23,407	(9,226)	(92,514)

(iii) Equity Price Risk

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

(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.

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.

Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by seven (2012: six) major customers which constituted approximately 52% (2012: 45%) of its trade receivables as at the end of the reporting period.

The carrying amount of trade receivables represent the Group maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk.

44. FINANCIAL INSTRUMENTS (Cont'd)

44.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

Credit risk concentration profile (Cont'd)

The exposure of credit risk for trade receivables by geographical region is as follows:-

	The Group 2013 RM	The Group 2012 RM
Africa	5,350,968	6,266,346
Asia	4,292,533	11,996,134
Europe	8,760,108	1,400,042
Singapore	5,751,983	3,647,947
Malaysia	17,217,562	21,143,347
	41,373,154	44,453,816

Ageing analysis

The ageing analysis of the Group's trade receivables as at end of the reporting period is as follows:-

The Group	Gross Amount RM	Individual Impairment RM	Carrying Value RM
2013			
Not past due	27,469,156	-	27,469,156
Past due:			
- less than 3 months	13,261,088	-	13,261,088
- 3 to 6 months	682,441	(253,648)	428,793
- over 6 months	3,041,739	(2,827,622)	214,117
	44,454,424	(3,081,270)	41,373,154
2012			
Not past due	27,194,942	-	27,194,942
Past due:			
- less than 3 months	16,980,071	-	16,980,071
- 3 to 6 months	278,723	-	278,723
- over 6 months	1,425,750	(1,425,670)	80
	45,879,486	(1,425,670)	44,453,816

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.

No collective impairment allowance is provided as based on the past records the irrecoverable amounts from the sale of goods, is very insignificant.

44. FINANCIAL INSTRUMENTS (Cont'd)

44.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

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 Group uses ageing analysis to monitor the credit quality of the trade receivables.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practices 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 as 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			**Contractual**			
	Interest Rate	**Carrying Amount**	**Undiscounted Cash Flows**	**Within 1 Year**	**1 - 5 Years**	**Over 5 Years**
2013	**%**	**RM**	**RM**	**RM**	**RM**	**RM**
Trade payables		10,248,157	10,248,157	10,248,157	-	-
Other payables and accruals		7,298,836	7,298,836	7,298,836	-	-
Amount owing to directors		713,443	713,443	713,443	-	-
Hire purchase payables	2.75 to 6.10	8,257,845	8,317,496	2,930,475	5,387,021	-
Term loans	4.47 to 5.00	12,101,455	14,495,720	2,453,011	9,085,159	2,957,550
Bills payable		798,704	798,704	798,704	-	-
Foreign currency trust receipts	1.75 to 2.78	9,655,148	9,655,148	9,655,148	-	-
Revolving credit	4.61	5,000,000	5,000,000	5,000,000	-	-
Forward currency contract - gross payment						
- inflow		166,005	10,645,375	10,645,375	-	-
- outflow			(10,479,370)	(10,479,370)	-	-
		54,239,593	56,693,509	39,263,779	14,472,180	2,957,550

44. FINANCIAL INSTRUMENTS (Cont'd)

44.1 Financial Risk Management Policies (Cont'd)

(c) Liquidity Risk (Cont'd)

The Group **2012**	**Interest Rate %**	**Carrying Amount RM**	**Contractual Undiscounted Cash Flows RM**	**Within 1 Year RM**	**1 - 5 Years RM**	**Over 5 Years RM**
Trade payables		10,083,310	10,083,310	10,083,310	-	-
Other payables and accruals		7,021,701	7,021,701	7,021,701	-	-
Amount owing to directors		764,206	764,206	764,206	-	-
Contingent consideration		4,647,143	5,000,000	5,000,000	-	-
Hire purchase payables	4.48 to 6.10	1,268,700	1,357,510	607,840	749,670	-
Term loans	4.61 to 5.00	14,249,080	17,325,599	2,791,577	9,457,886	5,076,136
Bankers' acceptance	3.83	398,000	398,000	398,000	-	-
Foreign currency trade loan	1.91 to 2.91	7,924,557	7,924,557	7,924,557	-	-
Bills payable	2.50	1,728,881	1,728,881	1,728,881	-	-
Foreign currency trust receipts	2.36 to 2.61	3,873,254	3,873,254	3,873,254	-	-
Revolving credit	4.61	5,000,000	5,000,000	5,000,000	-	-
Bank overdrafts	8.10	158,019	158,019	158,019	-	-
Forward currency contract - gross payment						
- inflow		(24,800)	7,642,500	7,642,500	-	-
- outflow			(7,667,300)	(7,667,300)	-	-
		57,092,051	60,610,237	45,326,545	10,207,556	5,076,136

44. FINANCIAL INSTRUMENTS (Cont'd)

44.1 Financial Risk Management Policies (Cont'd)

(c) *Liquidity Risk (Cont'd)*

The Company 2013	Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
Other payables and accruals		507,930	507,930	507,930	-	-
Amount owing to subsidiaries		4,744,889	4,744,889	4,744,889	-	-
Term loan	4.47	7,051,431	7,989,110	1,743,199	6,245,911	-
Revolving credit	4.47	5,000,000	5,000,000	5,000,000	-	-
		17,304,250	18,241,929	11,996,018	6,245,911	-
2012						
Other payables and accruals		784,893	784,893	784,893	-	-
Amount owing to subsidiaries		1,928,602	1,928,602	1,928,602	-	-
Term loan	4.61	8,486,692	9,846,648	1,819,236	6,618,638	1,408,774
Revolving credit	4.61	5,000,000	5,000,000	5,000,000	-	-
Contingent consideration		4,647,143	5,000,000	5,000,000	-	-
		20,847,330	22,560,143	14,532,731	6,618,638	1,408,774

44.2 Capital Risk Management

The Group manages its capital by maintaining an optimal capital structure so as to support its businesses and maximise shareholders 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 debt divided by total equity.

The debt-to-equity ratio of the Group as at the end of the reporting period is not presented as its cash and cash equivalent exceeded the total debts.

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 has complied with this requirement.

44. FINANCIAL INSTRUMENTS (Cont'd)

44.3 Classification Of Financial Instruments

Financial Assets	The Group 2013 RM	The Group 2012 RM	The Company 2013 RM	The Company 2012 RM
Loans and receivables financial assets				
Trade receivables	41,373,154	44,453,816	-	-
Other receivables and deposits	1,204,867	3,355,765	-	-
Amount owing by subsidiaries	-	-	950,000	850,000
Fixed deposits with licensed banks	11,182,705	26,104,837	11,151,971	20,821,858
Cash and bank balances	27,083,151	23,678,850	2,971,296	1,119,862
	80,843,877	97,593,268	15,073,267	22,791,720
Available for sale				
Other investment	16,500	16,500	-	-

Financial Liabilities	The Group 2013 RM	The Group 2012 RM	The Company 2013 RM	The Company 2012 RM
Other financial liabilities				
Trade payables	10,248,157	10,083,310	-	-
Other payables and accruals	7,298,836	7,021,701	507,930	784,893
Amount owing to directors	713,443	764,206	-	-
Amount owing to subsidiaries	-	-	4,744,889	1,928,602
Borrowings				
- long term	15,562,746	12,828,359	5,623,431	7,058,692
- short term	20,250,406	21,614,113	6,428,000	6,428,000
Bank overdrafts	-	158,019	-	-
Contingent consideration	-	4,647,143	-	4,647,143
	54,073,588	57,116,851	17,304,250	20,847,330
Fair value through profit and loss				
Derivative (liabilities)/assets	(166,005)	24,800	-	-

44. FINANCIAL INSTRUMENTS (Cont'd)

44.4 Fair Values Measurements

Other than those disclosed below, the fair values of the financial assets and financial liabilities maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments. These fair values are included in level 2 of the fair value hierarchy.

The Group	Fair Value Of Financial Instruments Carried At Fair Value			Fair Value Of Financial Instruments Not Carried At Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
2013	RM	RM	RM	RM	RM	RM	RM	RM
Financial Liability								
Derivative liabilities:								
- Forward foreign currency contract	-	166,005	-	-	-	-	166,005	166,005
Hire purchase payables	-	-	-	-	8,292,240	-	8,292,240	8,257,845
Retirement benefits	-	-	-	-	-	357,000	357,000	301,000
Term loans	-	-	-	-	12,101,455	-	12,101,455	12,101,455

	Fair Value Of Financial Instruments Carried At Fair Value			Fair Value Of Financial Instruments Not Carried At Fair Value	Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level*		
2012	RM	RM	RM	RM	RM	RM
Financial Asset						
Derivative assets:						
- Forward foreign currency contract	-	24,800	-	-	24,800	24,800
Financial Liability						
Hire purchase payables	-	-	-	1,335,104	1,335,104	1,268,700
Retirement benefits	-	-	-	337,000	337,000	335,000
Term loans	-	-	-	14,249,080	14,249,080	14,249,080

*Comparative fair value information is not presented by levels, by virtue of the exemption given in MFRS 13

44. FINANCIAL INSTRUMENTS (Cont'd)

44.4 Fair Values Measurements (Cont'd)

Other than those disclosed below, the fair values of the financial assets and financial liabilities maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments. These fair values are included in level 2 of the fair value hierarchy.

The Company	Fair Value Of Financial Instruments Carried At Fair Value			Fair Value Of Financial Instruments Not Carried At Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
2013	RM	RM	RM	RM	RM	RM	RM	RM
Financial Liability								
Term loans	-	-	-	-	7,051,431	-	7,051,431	7,051,431

	Fair Value Of Financial Instruments Carried At Fair Value			Fair Value Of Financial Instruments Not Carried At Fair Value	Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level *		
2012	RM	RM	RM	RM	RM	RM
Financial Liability						
Term loans	-	-	-	8,486,692	8,486,692	8,486,692

*Comparative fair value information is not presented by levels, by virtue of the exemption given in MFRS 13

44. FINANCIAL INSTRUMENTS (Cont'd)

44.4 Fair Values Measurements (Cont'd)

The fair values of level 2 and level 3 above have been determined using the following basis:-

(a) The fair values of forward currency contracts are determined using forward exchange rates at the end of the reporting period with the resulting value discounted back to present value.

(b) The fair values of hire purchase payables, retirement benefits and term loans are determined by discounting the relevant cash flows using interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	The Group		The Company	
	2013 %	2012 %	2013 %	2012 %
Hire purchase payables	2.75 to 4.54	1.59 to 5.11	-	-
Retirement benefits	4.55	4.51	-	-
Term loans	4.55 to 4.87	3.96 to 4.85	4.55	4.47

There were no transfer between level 1 and level 2 during the financial year.

The following table shows a reconciliation of level 3 fair value:-

The Group	**Employee Retirement Benefits RM**	**Total Fair Value RM**
Balance at 1.1.2012	359,000	359,000
Total gain recognised in profit or loss	(24,000)	(22,000)
Balance at 31.12.2012/1.1.2013	335,000	337,000
Total (gain)/loss recognised in profit or loss	(34,000)	20,000
Balance at 31.12.2013	301,000	357,000

45. SUPPLEMENTARY INFORMATION – DISCLOSURE OF REALISED AND UNREALISED PROFITS

The breakdown of the retained profits of the Group and of the Company as at the end of the reporting period into realised and unrealised profits 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	
	2013 RM	2012 RM	2013 RM	2012 RM
Total retained profits/(losses):				
- realised	71,354,210	56,540,851	16,743,777	11,482,046
- unrealised	(5,087,960)	(4,148,860)	(21,200)	(28,300)
At 31 December	66,266,250	52,391,991	16,722,577	11,453,746

Statement by Directors

We, Edward Goh Swee Wang and Yeow Ah Seng @ Yow Ah Seng, being two of the directors of Johore Tin Berhad, state that, in the opinion of the directors, the financial statements set out on pages 41 to 99 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 2013 and of their financial performance and cash flows for the financial year ended on that date.

The supplementary information set out in Note 45, 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 IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
Dated 28 April 2014

EDWARD GOH SWEE WANG

YEOW AH SENG @ YOW AH SENG

Statutory Declaration

I, Edward Goh Swee Wang, I/C No.: 631221-01-5769, being the director primarily responsible for the financial management of Johore Tin Berhad, do solemnly and sincerely declare that the financial statements set out on pages 41 to 99 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 Declaration Act 1960.

Subscribed and solemnly declared by
Edward Goh Swee Wang, I/C No.: 631221-01-5769,
at Johor Bahru in the state of Johor
on this 28 April 2014

Before me

EDWARD GOH SWEE WANG

MOHDZAR BIN KHALID P.L.P., P.I.S (No. J204)
COMMISSIONER FOR OATHS

List of Properties Held

Registered Owner/ Date of Acquisition	Title No./ Address	Description/ Existing Use	Tenure/ Expiry Date of the Lease	Approximate Age of the Building (years)	Land/ Built-up Area (sq. ft.)	Net Book Value as at 31 Dec 2013 (RM)
JTF/ 19.03.1977	HS(D) 527338, Lot 6422, Mukim Bandar Johor Bahru, Johor Bahru, Johor Darul Takzim/ No. 5, Jalan Gagah, Larkin Industrial Area, 80350 Johor Bahru, Johor.	Single-storey detached factory/ Industry	Leasehold - 99 years/ 12 November 2112 (extended)	37	37,996 21,800	573,386
JTF/ 06.06.1988	HS(D) 527337, Lot 6423, Mukim Bandar Johor Bahru, Johor Bahru, Johor Darul Takzim/ No. 7, Jalan Gagah, Larkin Industrial Area, 80350 Johor Bahru, Johor.	Single-storey detached factory with a double-storey office annexed/ Industry	Leasehold - 99 years/ 12 November 2112 (extended)	26	39,116/ 14,582	1,064,679
UNI/ 10.12.2004	HSD 375445, PTD 124298, Mukim Tebrau, Johor Bahru, Johor Darul Takzim/ PTD 124298, Jalan Kempas Lama, Kampung Seelong Jaya, 81300 Skudai, Johor.	Single-storey detached factory/ Industry	Freehold	10	457,466/ 248,533	16,910,725
UNI/ 08.08.2007	GM 2481, Lot 2259, Mukim Teluk Panglima Garang, Kuala Langat, Selangor Darul Ehsan/ Lot 2259, Jalan Helang, Off Jalan Kebun Baru, Batu 9, Jalan Klang-Banting, Teluk Panglima Garang, 42500 Kuala Lumpur.	Single-storey detached factory/ Industry	Freehold	7	175,602/ 106,931	9,206,779
KTC/ 27.12.1982	HS(D) 16323, Lot PTD 23759, Mukim Kluang, Kluang, Johor Darul Takzim/ No. 5, Jalan Masyuri Kawasan Perindustrian Kluang 86000 Kluang, Johor.	1 ½-storey detached factory/ Industry	Leasehold - 60 years/ 13 April 2046	28	21,775/ 16,843	375,532
KTC/ 27.02.1993	GM 8988, Lot 781, Mukim Sri Gading VIII Parit Baru, Batu Pahat, Johor Darul Takzim	Agriculture/ Fruits	Freehold	N/A	106,461	73,300
KTC/ 01.08.1996	GRN 244325, Lot 37800, Kluang, Johor Darul Takzim/ No. 41, Jalan Lau Kim Teck, 86000 Kluang, Johor.	1 ½-storey semi-detached factory/ Industry	Freehold	18	5,294/ 3,635	279,370
ABD/ 27.12.2012	GM 2483, Lot 2263, Mukim Teluk Panglima Garang, Kuala Langat, Selangor Darul Ehsan.	Agriculture/ Vacant	Freehold	N/A	175,602	6,724,358

(Disclosed in accordance with Appendix 9C, Part A, item 25 of the Listing Requirements of Bursa Securities.)

Analysis of Shareholdings

As At 5 MAY 2014

SHARE CAPITAL

Authorised Share Capital	:	RM200,000,000.00
Issued and Fully Paid-Up Capital	:	RM93,305,333.00
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	One (1) Vote per Ordinary Share
Number of Shareholders	:	1,713

DISTRIBUTION OF SHAREHOLDINGS

	(Malaysia and Foreign - Combined)			
Size of Holdings	**No. of Holders**	**% of Holders**	**No. of Shares**	**% of Shares**
Less than 100	37	2.160	1,101	0.001
101 to 1,000	169	9.866	108,789	0.117
1,001 to 10,000	1,042	60.829	5,089,275	5.454
10,001 to 100,000	387	22.592	11,500,310	12.326
100,001 to 4,665,265 (*)	74	4.320	41,438,997	44.412
4,665,266 and above (**)	4	0.233	35,166,861	37.69
TOTAL	**1,713**	**100.000**	**93,305,333**	**100.000**

* Less than 5% of Issued Shares

** 5% and above of Issued Shares

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	% of Shares
1	AMSEC NOMINEES (ASING) SDN BHD - AMBANK (M) BERHAD (NG KENG HOE)	8,892,900	9.531
2	GOH MIA KWONG	8,752,224	9.380
3	RHB CAPITAL NOMINEES (ASING) SDN BHD - LIM HUN SWEE	7,671,200	8.222
4	EDWARD GOH SWEE WANG	5,217,876	5.592
5	GOH MIA KWONG	4,000,000	4.287
6	AMSEC NOMINEES (ASING) SDN BHD - AMBANK (M) BERHAD (CHUA TAI BOON)	3,874,330	4.152
7	ALLIANCEGROUP NOMINEES (ASING) SDN BHD - LIM HUN SWEE	3,435,000	3.681
8	GENTING PERWIRA SDN BHD	3,358,740	3.600
9	CITIGROUP NOMINEES (ASING) SDN BHD - EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	2,691,933	2.885
10	KUA JIN GUANG @ KAU KAM ENG	2,197,333	2.355
11	AMSEC NOMINEES (TEMPATAN) SDN BHD - AMBANK (M) BERHAD (YEOW AH SENG @ YOW AH SENG)	1,772,666	1.900
12	HLB NOMINEES (ASING) SDN BHD - LIM HUN SWEE	1,737,800	1.862

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (cont'd)

No.	Name of Shareholders	No. of Shares	% of Shares
13	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD - NG YIK TOON @ NG YIK KOON	1,444,100	1.548
14	LOCK TOH PENG	1,388,000	1.488
15	VERSALITE SDN BHD	1,160,000	1.243
16	SIA YOCK HUA	1,085,625	1.163
17	CIMSEC NOMINEES (TEMPATAN) SDN BHD - CIMB (GENTING PERWIRA SDN BHD)	1,000,000	1.072
18	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD - LOKE SEE OOI	893,000	0.957
19	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD - NG YIK TOON @ NG YIK KOON	855,000	0.916
20	LAI SHIN LIN	746,666	0.800
21	CHONG LEE FONG	635,000	0.681
22	GOH MIA KWONG	632,661	0.678
23	TEE SIEW KAI	612,000	0.656
24	RHB CAPITAL NONIMEES (TEMPATAN) SDN BHD - FONG SILING	545,000	0.584
25	LEE BENG HEOK	499,700	0.536
26	SEAH TIN KIM	471,666	0.505
27	TAN BOON KAIT	411,056	0.441
28	SDS FOOD MANUFACTURING SDN. BHD.	404,000	0.433
29	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD - TEOH TEIK KENG	400,000	0.429
30	LOW LIANG POH	363,533	0.390
	TOTAL	**67,149,009**	**71.967**

LIST OF SUBSTANTIAL SHAREHOLDERS

No.	Name of Shareholders	Direct Interest No. of Shares	Direct Interest % of Shares	Deemed Interest No. of Shares	Deemed Interest % of Shares
1	GOH MIA KWONG	13,384,885	14.35	5,373,876	5.76
2	LIM HUN SWEE	12,844,000	13.77	-	-
3	NG KENG HOE	8,892,900	9.53	746,666	0.80
4	EDWARD GOH SWEE WANG	5,217,876	5.59	13,540,885	14.51

LIST OF DIRECTORS' SHAREHOLDINGS

No.	Name of Directors	Direct Interest No. of Shares	Direct Interest % of Shares	Deemed Interest No. of Shares	Deemed Interest % of Shares
1	DATUK KAMALUDIN BIN YUSOFF	157,300	0.17	4,388,040	4.70
2	EDWARD GOH SWEE WANG	5,217,876	5.59	13,540,885	14.51
3	YEOW AH SENG @ YOW AH SENG	1,978,666	2.12	-	-
4	LIM HUN SWEE	12,844,000	13.77	-	-
5	LIM CHIN KAI	40,000	0.04	-	-
6	MUHAMAD FEASAL BIN YUSOFF	-	-	-	-
7	SIAH CHIN LEONG	10,000	0.01	-	-
8	NG LEE THIN	-	-	-	-

(Disclosed in accordance with Appendix 9C, Part A, item 23 of the Listing Requirements of Bursa Securities.)

WARRANTS

Number of Warrants (2012/2017)	:	23,326,333
Exercise Price	:	RM2.28 per ordinary share of RM1.00 each
Exercise Rights	:	Each Warrant entitles the holder to subscribe for one (1) new ordinary share of RM1.00 each
Exercise Period	:	27 November 2012 to 24 November 2017
Number of Warrants exercised	:	Nil

DISTRIBUTION OF WARRANT HOLDINGS

	(Malaysia and Foreign - Combined)			
Size of Holdings	**No. of Holders**	**% of Holders**	**No. of Warrants**	**% of Warrants**
Less than 100	29	4.915	1,667	0.007
101 to 1,000	181	30.678	120,619	0.517
1,001 to 10,000	224	37.966	960,539	4.118
10,001 to 100,000	118	20.000	3,791,548	16.254
100,001 to 1,166,315 (*)	33	5.593	8,994,785	38.561
1,166,316 and above (**)	5	0.848	9,457,175	40.543
TOTAL	**590**	**100.000**	**23,326,333**	**100.000**

* Less than 5% of Issued Warrants

** 5% and above of Issued Warrants

LIST OF THIRTY (30) LARGEST WARRANT HOLDERS

No.	Name of Warrant Holders	No. of Warrants	% of Warrants
1	GOH MIA KWONG	3,103,081	13.303
2	AMSEC NOMINEES (ASING) SDN BHD - AMBANK (M) BERHAD (NG KENG HOE)	1,980,000	8.488
3	RHB CAPITAL NOMINEES (ASING) SDN BHD - LIM HUN SWEE	1,650,500	7.076
4	AMSEC NOMINEES (TEMPATAN) SDN BHD - AMBANK (M) BERHAD (EDWARD GOH SWEE WANG)	1,304,469	5.592
5	KENANGA NOMINEES (TEMPATAN) SDN BHD - GENTING PERWIRA SDN BHD	1,235,960	5.299
6	ALLIANCEGROUP NOMINEES (ASING) SDN BHD - LIM HUN SWEE	850,000	3.644
7	AMSEC NOMINEES (ASING) SDN BHD - AMBANK (M) BERHAD (CHUA TAI BOON)	835,432	3.581
8	CITIGROUP NOMINEES (ASING) SDN BHD - EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	576,733	2.472
9	KUA JIN GUANG @ KAU KAM ENG	533,333	2.286
10	AMSEC NOMINEES (TEMPATAN) SDN BHD - AMBANK (M) BERHAD (YEOW AH SENG @ YOW AH SENG)	443,166	1.900
11	RHB NONIMEES (TEMPATAN) SDN BHD - LEE CHENG LOCK	341,000	1.462

LIST OF THIRTY (30) LARGEST WARRANT HOLDERS (cont'd)

No.	Name of Warrant Holders	No. of Shares	% of Shares
12	TA NOMINEES (TEMPATAN) SDN BHD - LOO SIOW CHING	328,100	1.407
13	WONG SIU CHUNG	304,300	1.305
14	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD - NG YIK TOON @ NG YIK KOON	300,000	1.286
15	VERSALITE SDN BHD	290,000	1.243
16	LISA GOH LI LING	284,000	1.218
17	TAN YAN LING	268,500	1.151
18	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD - NG YIK TOON @ NG YIK KOON	268,000	1.149
19	FIRST LOOK CORPORATION SDN BHD	260,000	1.115
20	TEH SOON SENG	244,000	1.046
21	TEE SIEW KAI	227,000	0.973
22	MAYBANK NOMINEES (TEMPATAN) SDN BHD - TEE SEE KIM	210,900	0.904
23	LAI SHIN LIN	186,666	0.800
24	GOH MIA KWONG	183,165	0.785
25	HLB NOMINEES (ASING) SDN BHD - LIM HUN SWEE	179,500	0.770
26	LOW LIANG POH	173,333	0.743
27	SIA YOCK HUA	165,156	0.708
28	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD - ONG SWEE TAU	156,600	0.671
29	NG EYAN KIM	151,600	0.650
30	SDS FOOD MANUFACTURING SDN. BHD.	150,000	0.643
	TOTAL	**17,184,494**	**73.670**

LIST OF DIRECTORS' WARRANT HOLDINGS

No.	Name of Directors	Direct Interest No. of Shares	 % of Shares	Deemed Interest No. of Shares	 % of Shares
1	DATUK KAMALUDIN BIN YUSOFF	20,300	0.09	1,243,760	5.33
2	EDWARD GOH SWEE WANG	1,304,469	5.59	3,570,246	15.31
3	YEOW AH SENG @ YOW AH SENG	494,666	2.12	-	-
4	LIM HUN SWEE	2,680,000	11.49	-	-
5	LIM CHIN KAI	-	-	-	-
6	MUHAMAD FEASAL BIN YUSOFF	-	-	-	-
7	SIAH CHIN LEONG	-	-	-	-
8	NG LEE THIN	-	-	-	-

(Disclosed in accordance with Appendix 9C, Part A, item 23 of the Listing Requirements of Bursa Securities.)

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Thirteenth Annual General Meeting (AGM) of Johore Tin Berhad will be held at Palm Resort Golf & Country Club, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor on Wednesday, 25 June 2014 at 9.30 a.m. for the following purposes:

AGENDA	**Resolution on Proxy Form**
ORDINARY BUSINESS:	
1. To receive the Audited Financial Statements for the financial year ended 31 December 2013 and the Reports of the Directors and Auditors thereon.	(Please refer Explanatory Note 1)
2. To declare a Single Tier Final Dividend of 2.0% for the financial year ended 31 December 2013.	(Resolution 1)
3. To approve the payment of Directors' fees of RM296,000.00 for the year ended 31 December 2013.	(Resolution 2)
4. To re-elect the following Directors who retire pursuant to Article 106 of the Company's Articles of Association:	
(a) Mr. Siah Chin Leong	(Resolution 3)
(b) Ms. Ng Lee Thin	(Resolution 4)
5. To re-elect the following Director who retires by rotation pursuant to Article 120 of the Company's Articles of Association:	
(a) Mr. Lim Hun Swee	(Resolution 5)
6. To re-appoint Messrs Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration.	(Resolution 6)

SPECIAL BUSINESS:

To consider and if thought fit, to pass the following resolution, with or without modifications:

7. **ORDINARY RESOLUTION** (Resolution 7)
   AUTHORITY TO DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

   "THAT subject always to the Companies Act, 1965, Articles of Association of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory bodies, where such approval is necessary, authority be and is hereby given to the Directors pursuant to Section 132D of the Companies Act, 1965 to issue and allot not more than ten percent (10%) of the issued capital of the Company at any time upon any such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof AND THAT authority be and is hereby given to the Directors to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad."

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

NOTICE OF ENTITLEMENT AND DIVIDEND PAYMENT DATES

NOTICE IS ALSO HEREBY GIVEN THAT the proposed Single Tier Final Dividend of 2.0% in respect of the financial year ended 31 December 2013, if approved, will be paid on 25 July 2014 to depositors registered in the Record of Depositors at the close of business on 2 July 2014.

A depositor shall qualify for entitlement only in respect of:

(a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 2 July 2014 in respect of ordinary transfers; and

(b) Shares bought on the Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board
JOHORE TIN BERHAD

YONG MAY LI (f) (LS0000295)
Company Secretary

Johor Bahru
2 June 2014

NOTES:-

1. A member of the Company entitled to attend and vote at the meeting may appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the provision of Section 149(1)(b) of the Act shall not apply to the Company.
2. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
3. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. Where a member or the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
5. The instrument appointing a proxy, in the case of an individual shall be signed by the appointor or his/her attorney duly authorised in writing and in the case of a corporation, either under seal or under the hand of an attorney or an officer duly authorised. If no name is inserted in the space for the name of your proxy, the Chairman of the Meeting will act as your proxy.
6. The instrument appointing a proxy must be deposited at the Registered Office of the Company situated at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor, not less than 48 hours before the time appointed for holding the meeting or any adjournment meeting as the case may be at which the person named in such instrument proposes to vote.
7. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Article 72(c) of the Articles of Association of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at 18 June 2014 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.

EXPLANATORY NOTES:-

ORDINARY BUSINESS:

1. **Item 1 of the Agenda**

   This Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

SPECIAL BUSINESS:

2. **Item 7 of the Agenda**

   ORDINARY RESOLUTION
   AUTHORITY TO DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

   The purpose of this Ordinary Resolution proposed under Agenda item 7 will give powers to the Directors to issue up to a maximum ten per cent (10%) of the issued share capital of the Company for the time being for such purposes as the Directors would consider 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 of the Company.

   The general mandate sought for issue of securities is a renewal of the mandate that was approved by the shareholders on 28 June 2013. The Company did not utilise the mandate that was approved last year. The renewal of the general mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration.

Statement Accompanying Notice of Annual General Meeting

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, there is no person seeking election as Director of the Company at this Annual General Meeting.

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Form of Proxy

Johore Tin Berhad (532570-V)

I/We ____

(NRIC No./Passport No./Company No. ____________________) of ______________________

____

being a Member/Members of **JOHORE TIN BERHAD (COMPANY NO. 532570-V)** hereby appoint:

Full Name	NRIC No./Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

*and/*or failing him/her (* delete as appropriate)

Full Name	NRIC No./Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her/them, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the 13th Annual General Meeting of the Company to be held at Palm Resort Golf & Country Club, Jalan Persiaran Golf, Off Jalan Jumbo, 81250 Senai, Johor, on Wednesday, 25 June 2014 at 9.30 a.m. and any adjournment thereof and my/our proxy is to vote as indicated below:

Item	Agenda		Resolution	*For	*Against
1.	To receive Audited Financial Statements for the financial year ended 31 December 2013 and the Reports of the Directors and Auditors thereon.				
2.	To declare a Single Tier Final Dividend of 2% for the financial year ended 31 December 2013.		1		
3.	To approve the payment of Directors' fee of RM296,000 for the financial year ended 31 December 2013.		2		
4.	To re-elect the following Directors who retire pursuant to Article 106 of the Company's Articles of Association:				
	(a)	Mr. Siah Chin Leong	3		
	(b)	Ms. Ng Lee Thin	4		
5.	To re-elect the following Director who retires by rotation pursuant to Article 120 of the Company's Articles of Association:				
	(a)	Mr. Lim Hun Swee	5		
6.	To re-appoint Messrs Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration.		6		
Special Business:					
7.	Authority to Directors to issue and allot shares pursuant to Section 132D of the Companies Act, 1965.		7		

(* Please indicate with an "X" in the appropriate space how you wish your proxy to vote. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.)

Dated this ____________ day of ____________ 2014.

Number od shares held	
CDS Account No.	

____

Signature(s)/Common Seal of Shareholder(s)

NOTES:

1. A member of the Company entitled to attend and vote at the meeting may appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy and the provision of Section 149(1)(b) of the Act shall not apply to the Company.
2. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
3. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. Where a member or the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
5. The instrument appointing a proxy, in the case of an individual shall be signed by the appointor or his/her attorney duly authorised in writing and in the case of a corporation, either under seal or under the hand of an attorney or an officer duly authorised. If no name is inserted in the space for the name of your proxy, the Chairman of the Meeting will act as your proxy.
6. The instrument appointing a proxy must be deposited at the Registered Office of the Company situated at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor not less than 48 hours before the time appointed for holding the meeting or adjourned meeting as the case may be at which the person named in such instrument proposes to vote.
7. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Article 72(c) of the Articles of Association of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at 18 June 2014 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

THE COMPANY SECRETARY
JOHORE TIN BERHAD (COMPANY NO. 532570-V)
SUITE 1301, 13TH FLOOR,
CITY PLAZA, JALAN TEBRAU
80300 JOHOR BAHRU
JOHOR
MALAYSIA

1st fold here

JOHORE TIN BERHAD

COMPANY NO:532570-V

INCORPORATED IN MALAYSIA