JOHORE TIN BERHAD

COMPANY NO:532570-V
INCORPORATED IN MALAYSIA

2 0 1 5
Annual Report

Contents

Financial Highlights

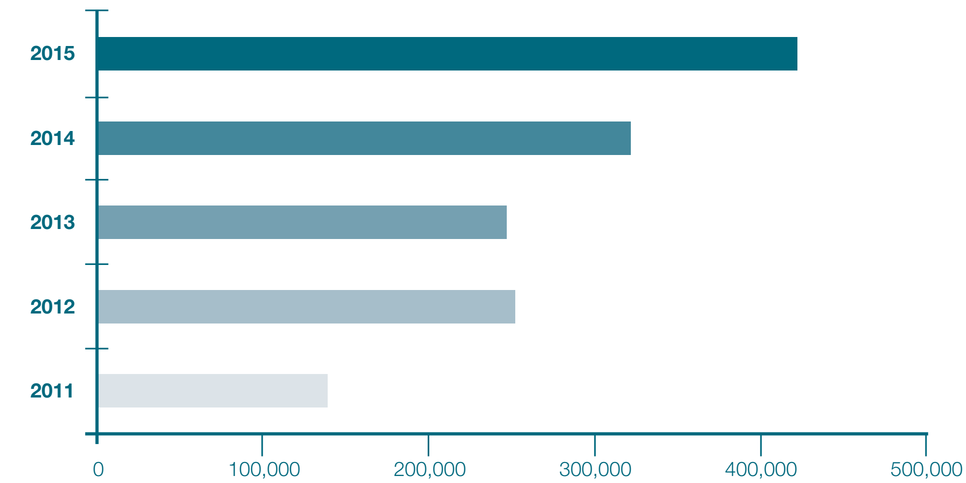
Statements of Profit or Loss and Other Comprehensive Income:	2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000	2015 RM'000
Revenue	134,215	246,361	241,384	316,779	417,410
EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation)	18,877	34,946	33,939	27,159	33,415
Finance costs	1,163	1,982	1,549	1,662	2,767
Profit before tax	14,351	27,555	27,147	18,358	23,047
Profit after tax	11,038	22,891	20,520	12,019	15,661
Profit after tax attributable to the owners	11,038	22,891	20,592	12,979	17,302
Comprehensive income attributable to the owners	11,048	22,817	20,466	13,009	17,383

Statements of Financial Position:	RM'000	RM'000	RM'000	RM'000	RM'000
Total assets	192,263	218,493	231,193	329,176	366,948
Total borrowings	47,131	34,600	35,813	69,289	110,192
Shareholders' equity	106,226	155,871	169,747	179,929	192,406

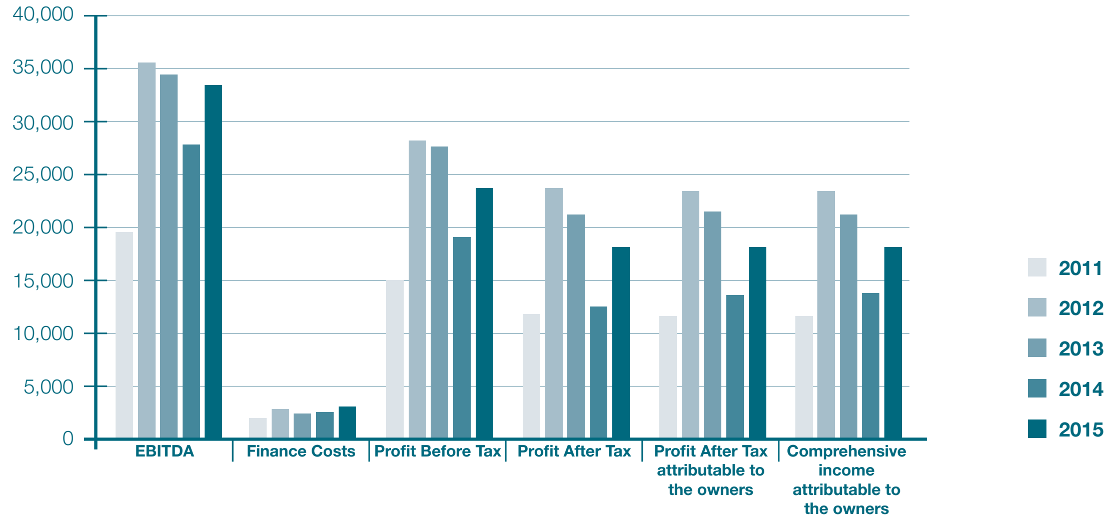
Financial Indicators:	2011	2012	2013	2014	2015
Return on equity (%)	10.39	14.69	12.09	6.68	8.14
Return on total assets (%)	5.74	10.48	8.88	3.65	4.27
Gearing ratio (%)	44.37	22.20	21.10	38.51	57.27
Interest cover (times)	16.23	17.63	21.91	16.34	12.08
Earnings per share (sen)	16.56	30.86	22.07	13.91	18.54
Net assets per share (RM)	1.52	1.67	1.82	1.93	2.06
Gross dividend per share (sen)	3.80	4.20	5.00	3.50	4.00
Gross dividend yield (%)	5.14	2.53	2.99	2.59	1.91
Price Earnings (PE) ratio	4.47	5.38	7.57	9.71	11.27
Share price as at the end of financial year (RM)	0.74	1.66	1.67	1.35	2.09

Financial Highlights (Cont'd)

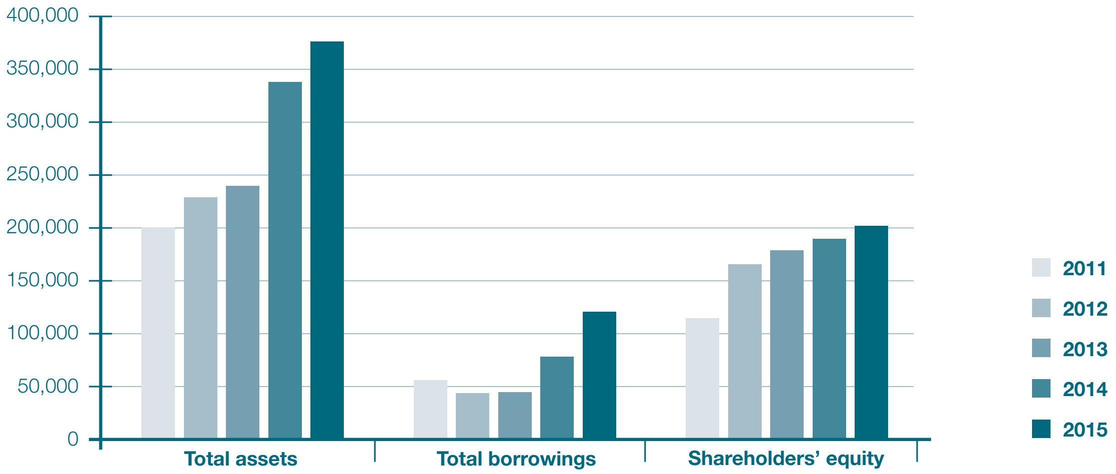
Revenue (RM'000)



Statements of Profit or Loss and Other Comprehensive Income (RM'000)

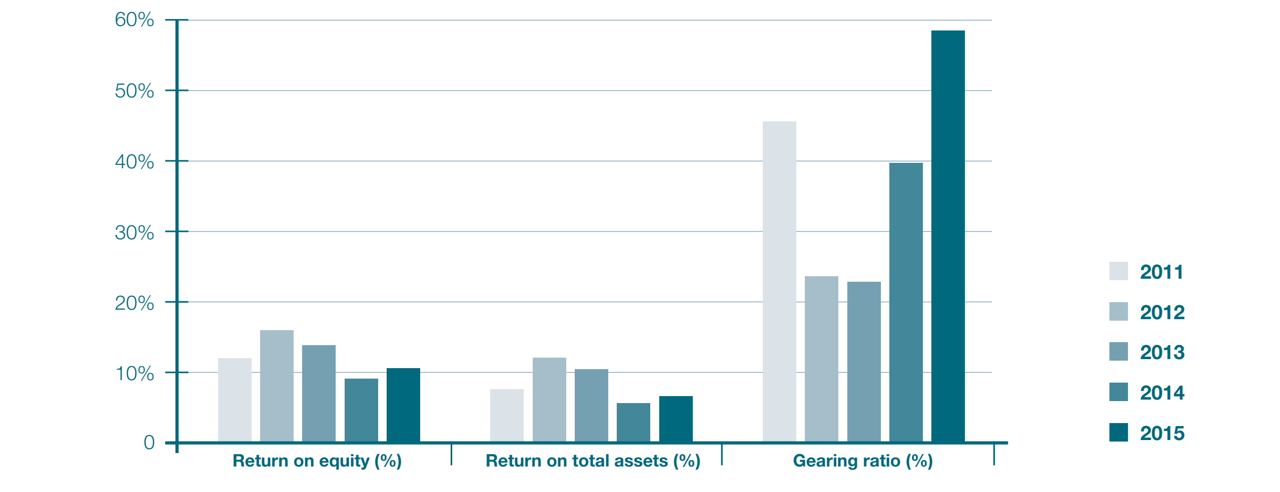


Statements of Financial Position (RM'000)

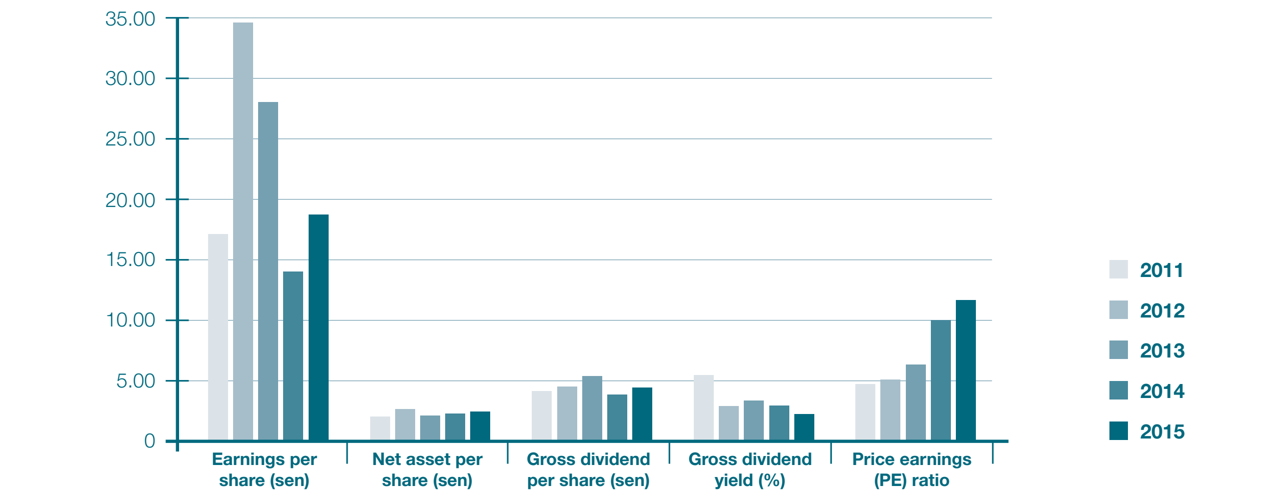


Financial Highlights (Cont'd)

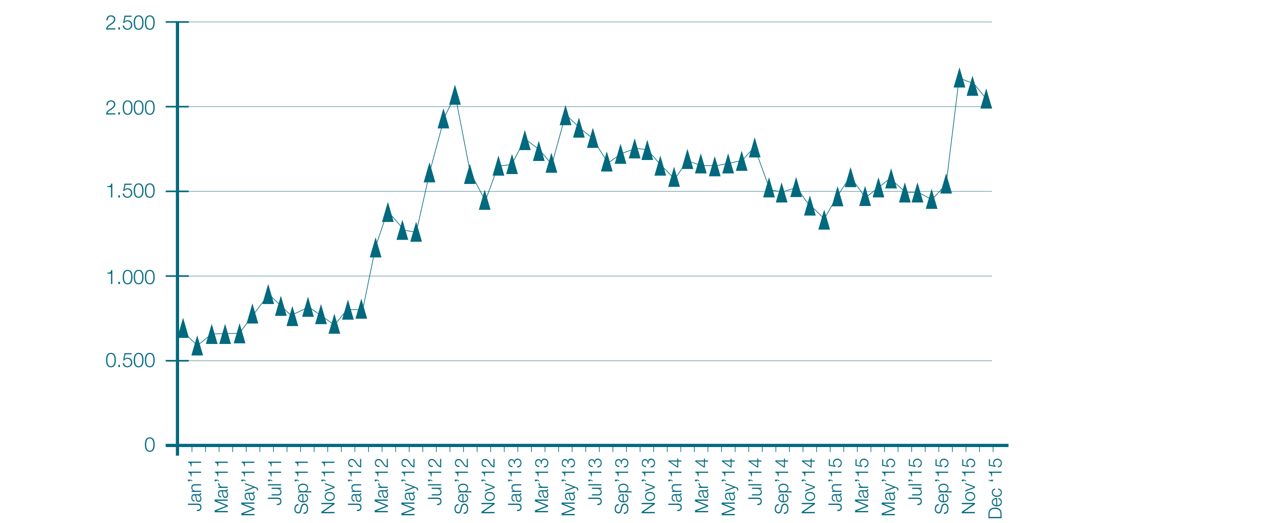
Ratio Analysis (%)



Share Information



Share Price (RM)



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 2015.

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 two (2) segments namely the tin manufacturing segment and food and beverage ("F&B") segment. The former segment is manufacturing of various tins, cans and other containers and printing of tinplates. While the latter segment is manufacturing of milk, packing and processing of milk powder and other related dairy products.

The Group's corporate structure is show on page 9 of this Annual Report.

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

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 without compromising the Group's long term business objectives. Thus, the Board is reviewing and monitoring the financial performance of the Group on regular basis.

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 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's responsibilities include ensuring all the production schedules are planned, periodical maintenance services on equipment and machineries are done appropriately, 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 financial year under review, the Group achieved the revenue of RM417.41 million against previous year's revenue of RM316.78 million with an increase of RM100.63 million. And the profit before tax increased by RM4.69 million to RM23.05 million as compared to RM18.36 million of the previous year.

For the tin manufacturing segment, the revenue decreased by RM2.15 million to RM86.72 million from RM88.87 million due to lower demand from customers who are in biscuit and edible oil industries. On the other hand, the revenue for F&B segment increased by RM102.79 million to RM330.69 million from RM227.90 million mainly due to higher sales in condensed milk dairies products and packing of milk powder business.

Profit before tax of tin manufacturing segment, decreased by RM5.06 million to RM7.34 million from RM12.40 million, mainly due to higher operating costs for the upgrading of factory & machineries as well as higher material costs arising from higher US Dollar exchange rate in the current year as compared to preceding year. Whilst for F&B segment, the profit before tax increased by RM10.15 million to RM17.91 million from RM7.76 million mainly due to higher sales in the current year.

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

Statement on Management Discussion and Analysis (Cont'd)

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 is principally involved in two (2) segments i.e. tin manufacturing segment and F&B segment). The former segment is manufacturing of various tins, cans and other containers and printing of tinplates. And the other segment is manufacturing of milk, packing and processing of milk powder 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 labour costs as well as upkeep and maintenance of major machineries.

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 of the change 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 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 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 that will 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 ranges 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. The Group hopes to 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.

Statement on Management Discussion and Analysis (Cont'd)

3. REVIEW OF OPERATING ACTIVITIES (CONT'D)

E. Dependence on Key Management and Skilled Personnel

The Group's continued success will depend upon, to a certain extent, 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

The Group is of the view that the businesses will grow steadily in the near future amidst the volatility of raw material prices and the global economic uncertainties.

For tin manufacturing segment, demand is expected to grow marginally in this matured and stable industry but will remain challenging in the short-term. This is due to the material costs, which are denominated in USD, resulting in higher operating costs. However, if the exchange rate remains unfavourable in the near term, the Group may have to adjust the selling price accordingly.

The demand for F&B segment remains strong despite the uncertainties in the global economic and remains in highly competitive market. Upon completion of new factory and warehouse, the F&B segment's manufacturing capacity, production efficiency and pricing competitiveness will be increased and improved significantly in its market.

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 in the mid-term.

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 14 April 2016.

Corporate Information

BOARD OF DIRECTORS
Datuk Kamaludin Bin Yusoff *(Chairman/Senior Independent Non-Executive Director)*
Mr. Edward Goh Swee Wang *(Chief Executive Officer)*
Mr. Yeow Ah Seng @ Yow Ah Seng *(Executive Director)*
Mr. Lim Hun Swee *(Executive Director)*
Mr. Siah Chin Leong *(Independent Non-Executive Director)*
Ms. Ng Lee Thin *(Independent Non-Executive Director)*

AUDIT COMMITTEE
Mr. Siah Chin Leong *(Chairman)*
Datuk Kamaludin Bin Yusoff
Ms. Ng Lee Thin

NOMINATION COMMITTEE
Datuk Kamaludin Bin Yusoff *(Chairman)*
Mr. Siah Chin Leong
Ms. Ng Lee Thin

COMPANY SECRETARY
Ms. Yong May Li (LS0000295)

EXTERNAL AUDITORS
Crowe Horwath (AF 1018)
Chartered Accountants
E-2-3, Pusat Komersial Bayu Tasek
Persiaran Southkey 1, Kota Southkey
80150 Johor Bahru, Johor
Tel: +60(7) 288 6627
Fax: +6(1700) 813 460

PRINCIPAL BANKERS
Public Bank Berhad
Hong Leong Bank Berhad
AmBank (M) Berhad
United Overseas Bank (Malaysia) Bhd

STOCK EXCHANGE LISTING
Main Board of Bursa Malaysia Securities Berhad
Stock Code : 7167
Stock Name : JOHOTIN
Website : http://www.johoretin.com.my

REMUNERATION COMMITTEE
Ms. Ng Lee Thin *(Chairman)*
Mr. Edward Goh Swee Wang
Mr. Siah Chin Leong

RISK MANAGEMENT COMMITTEE
Mr. Siah Chin Leong *(Chairman)*
Mr. Edward Goh Swee Wang
Mr. Lim Hun Swee
Mr. Hoo Joo Chuan *(Factory Manager)*

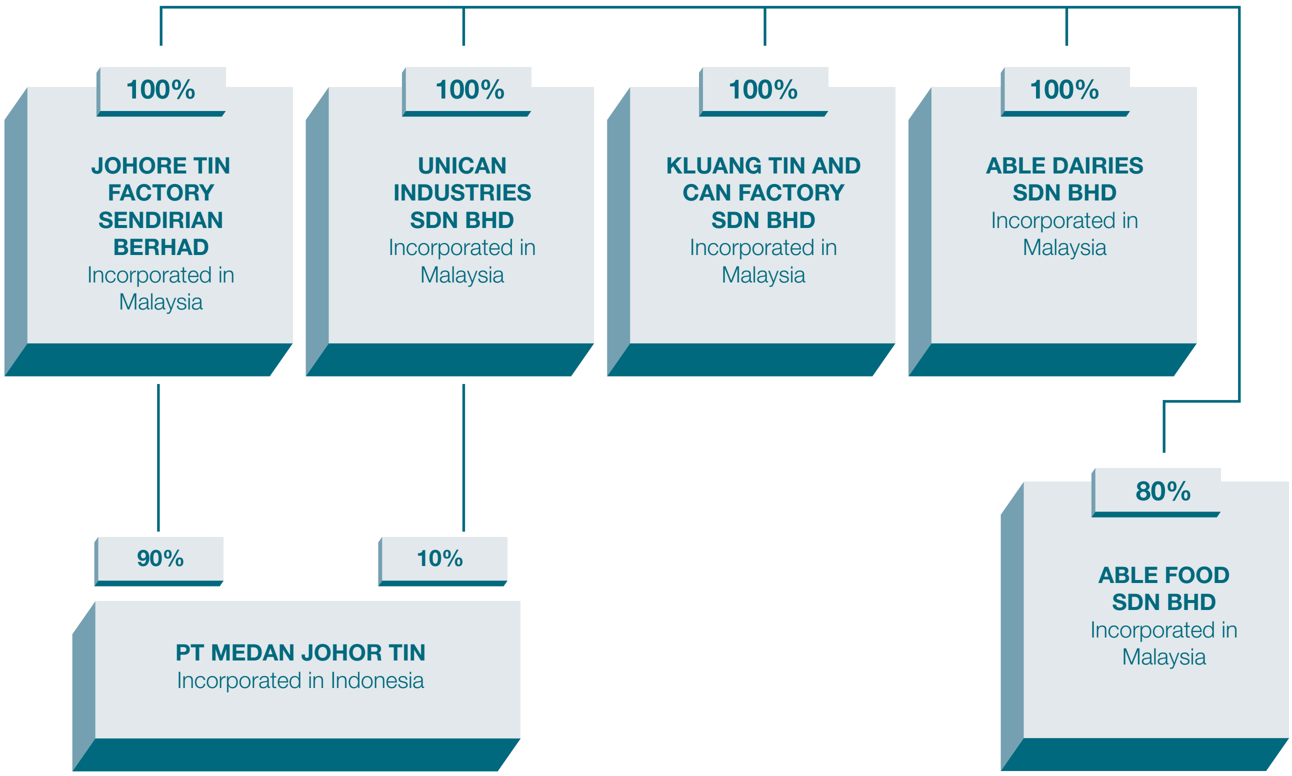
SHARE REGISTRAR
Tricor Investor & Issuing House Services Sdn. Bhd. (11324-H)
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel: +60(3) 2783 9299
Fax: +60(3) 2783 9222

REGISTERED OFFICE
Suite 1301, 13th Floor
City Plaza, Jalan Tebrau
80300 Johor Bahru, Johor
Tel: +60(7) 332 2088
Fax: +60(7) 332 8096

Corporate Structure

JOHORE TIN BERHAD

COMPANY NO:532570-V
INCORPORATED IN MALAYSIA



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 2015.

FINANCIAL REVIEW

JTB Group's consolidated revenue for the year under review increased to RM417.41 million from RM316.78 million in year 2014. Profit before tax increased to RM23.05 million from RM18.36 million.

And, profit after tax for the financial ended 31 December 2015 increased to RM15.66 million from RM12.02 million in 2014.

DIVIDEND

The Board of Directors is pleased to propose the final single-tier dividend of 4.0 sen per ordinary share for the year ended 31 December 2015, subject to the shareholders' approval at the forthcoming Annual General Meeting of JTB.

As there is no interim dividend declared during the financial year, if this proposed final dividend is approved, the total dividend for the year 2015 will be 4.0 sen per ordinary share.

PROSPECT IN PACKAGING SEGMENT

The tin can business was quite stable in 2015 and is expected to remain so for 2016. The main raw material for this packaging segment is tinplate and the prices of tinplate is projected to increase over the year. And if Ringgit Malaysia remains constant as compared to the US Dollar, then there will be pressure to increase the selling prices of the tin cans in order to cover for the increase in costs.

However, the increase should not be too steep as the global economy and demand for steel remains cautious.

PROSPECT IN FOOD AND BEVERAGE SEGMENT

The volatilities in the dairy industry are tapering off towards the end of 2015. Prices are more stable as it starts to bottom out and as the industry's supply and demand struggles to reach equilibrium.

The demand for sweetened condensed milk and evaporated milk is expected to remain high for 2016. As for the milk powder businesses, the management is trying to expand the sales to more regions and also to expand the product line in order to boost revenue. This process, however, will take time and is not expected to contribute significantly to the revenue of 2016 but for the near future instead.

Overall, our Food and Beverage segment is expected to continue as the main contributor to the Group.

APPRECIATION

On behalf of the Board of Directors, I would like to thank our customers throughout the globe, our bankers, our business partners, and our shareholders for the support, trusts and cooperations that all of you had shown to us throughout the year. We look forward to continuing our future with all of you.

Also, my thanks to all the staffs of Johore Tin Berhad and its subsidiaries for their hard work and efforts in aiding in the progress of the Group.

Last, but not least, I would like to express my appreciation to all the members of the Board for their cooperation and invaluable inputs that drives the Group forward.

Thank you.

DATUK KAMALUDIN BIN YUSOFF
Senior Independent Non-Executive Chairman

Dated: 14 April 2016

Profile of Board of Directors

	Datuk Kamaludin Bin Yusoff	Edward Goh Swee Wang
Position	Chairman / Senior Independent Non-Executive Director	Chief Executive Officer
Nationality / Age	Malaysian / 68	Malaysian / 53
Date of Appointment(s)	11 August 2008 26 April 2010 (Chairman)	31 December 2002 -
Date of Last Re-designation	25 June 2014	1 July 2012
Length of Service (as at 30 April 2016)	7 years 8 months	13 years 4 months
Qualification(s)	- Bachelor of Arts (Hons) in History from University Malaya, Kuala Lumpur (1974)	- Bachelor of Science Degree in Mechanical Engineering and a Master Degree in Business Administration from the Oklahoma State University, United States of America (1988)
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	- More than 20 years of working experience in tin can industry - Oversees company planning, development, marketing and overall management
Present directorship in other listed entity	Yoong Onn Corporation Berhad	No
Membership of Board Committees	Chairman of Nomination Committee, Member of Audit 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

Profile of Board of Directors (Cont'd)

	Yeow Ah Seng @ Yow Ah Seng	Lim Hun Swee
Position	Executive Director	Executive Director
Nationality / Age	Malaysian / 63	Singaporean / 64
Date of Appointment	31 December 2002	26 August 2010
Date of Last Re-designation	-	1 July 2012
Length of Service (as at 30 April 2016)	13 years 4 months	5 years 8 months
Qualification	- Supervision of factory operations and sales	- Management of factory operations
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
Present directorship in other listed entity	No	Tomypak Holdings Berhad
Membership of Board Committees	No	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

Profile of Board of Directors (Cont'd)

	Siah Chin Leong	Ng Lee Thin
Position	Independent Non-Executive Director	Independent Non-Executive Director
Nationality / Age	Malaysian / 53	Malaysian / 49
Date of Appointment	18 March 2014	6 May 2014
Date of Last Re-designation	-	-
Length of Service (as at 30 April 2016)	2 years 1 months	1 years 11 months
Qualification(s)	- Bachelor of Arts in Political Science from York University, Canada (1982-1985)	- Bachelor of Economics (Hons) from University Utara Malaysia (1992) - Member of Malaysian Institute of Accountants ("MIA") - Fellow Member of Association of Chartered Certified Accountants ("FCCA")
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	- 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. for 9 years (2001 to 2009) before set up her own firm, Yellow Tax Services Sdn. Bhd. and NLT & Co. in year 2012 and 2015 respectively. Prior to that, she worked with Ernst & Young (1996 to 2001), Chiang & Chiang (1994 to 1995) and Artwright Marketing Sdn. Bhd. (1992 to 1994)
Present directorship in other listed entity	No	No
Membership of Board Committees	Chairman of Audit Committee and Risk Management Committee, Member of Remuneration Committee and Nomination Committee	Chairman of Remuneration Committee, Member of Audit Committee and 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

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 as 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:

- Adopted appropriate accounting policies and applying 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 14 April 2016.

Audit Committee Report

The Board presents the Audit Committee Report which provides insights into the manner in which the Audit Committee discharged its function for the Group in 2015.

1. COMPOSITION AND ATTENDANCE

The Audit Committee ("AC") comprises three (3) members, all of whom are Independent Non-Executive Directors and included one (1) Director who is a member of the Malaysian Institute of Accountants ("MIA"). No alternate director is appointed as a member of the AC. This meets the requirements of paragraph 15.09(1)(a), (b), (c)(i) and 15.09(2) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").

All members of the AC shall be financially literate and appropriately qualified with sound knowledge and experience in accounting, business, and financial management. The 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**
Siah Chin Leong *(Chairman/Independent Non-Executive Director)*	5/5
Datuk Kamaludin Bin Yusoff *(Senior Independent Non-Executive Director)*	5/5
Ng Lee Thin *(Independent Non-Executive Director)*	5/5

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

2. MEETINGS

The Committee had convened a total of five (5) meetings during the financial year 2015. Meetings shall be held not less than four (4) times a year. The External Auditors ("EA") may request a meeting if they consider that one is necessary.

The Chief Executive Officer ("CEO") and other Board members were invited to the AC meeting to facilitate direct communications as well as to provide clarification on audit issues and the Group's operations. The representative of Internal Auditors ("IA") shall normally attend the meetings and the Group Financial Manager was invited to brief the AC on specific issues and areas arising from the quarterly and audit reports. The presence of the EA will be by invitation as and when required.

The Secretary to the AC is the Company Secretary. Minutes of each AC meeting were recorded and tabled for confirmation at the next following AC meeting and subsequently presented to the Board for notation. During Board Meetings, the Chairman of the AC briefed the Board on the matters discussed at the AC meetings. The Chairman also briefed the Board on the discussions on the quarterly financial results, the annual Audited Financial Statements and the recommendations of the Committee to the Board for the adoption of the quarterly financial results and the annual Audited Financial Statements.

3. TERMS OF REFERENCE

3.1 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;
(c) Have full and unrestricted access to any information pertaining to the Company or the Group;

Audit Committee Report (Cont'd)

3. TERMS OF REFERENCE (CONT'D)

3.1 Authority (Cont'd)

(d) Have direct communication channels with the EA 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 EA, IA or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary, but at least twice a year.

3.2 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 EA and the audit fee;
(b) The nature and scope of the audit by the EA before commencement;
(c) The EA's audit report, areas of concern arising from the audit and any other matters the EA 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 the implementation of major accounting policy changes;
- Significant and unusual events; and
- Compliance with accounting standards and legal requirements.

(e) The EA'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 IA and EA 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 employees;
(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 from time to time.

4. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

During the financial year, the principal activities undertaken by the AC were summarised as follows:

(a) Overseeing the Company's financial reporting, the AC reviewed the quarterly financial statements for the 4th quarter of 2014, 1st, 2nd, 3rd and 4th quarters of 2015 at its meeting held on 23 February 2015, 29 May 2015, 26 August 2015, 24 November 2015 and 27 February 2016 respectively before recommending them for the Board's consideration and approval for release to the public;
(b) On 23 February 2015 and 29 April 2015, the AC had conducted private session meetings with the EA without the presence of the CEO, Management and employees of the Company;
(c) On 29 April 2015, the AC had reviewed and discussed with EA on the audited financial statements of the Group for the year ended 31 December 2014. 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;

Audit Committee Report (Cont'd)

4. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR (CONT'D)

(d) With reference to the By-Laws (On Professional Ethics, Conduct and Practice) of the MIA ("By-Laws"), in respect of an audit of a public interest entity, an individual shall not be a key audit partner for more than five (5) years and after such time, the individual shall not be a member of the engagement team or key audit partner for the client for two (2) years. Mr. Fong Kiat Keong, the Audit Partner from Messrs Crowe Horwath ("CH") was due for rotation in 2015 and was replaced by Mr. Tan Lin Chun who will due for rotation in year 2020. Mr. Fong Kiat Keong had attended the first and second AC meeting during the year 2015 to present the auditors' report on the annual financial statements for the financial year ended 31 December 2014;

(e) On 24 November 2015, the AC had reviewed with the EA their scope of work and audit plan prior to the commencement of the audit;

(f) On 27 February 2016, the AC had deliberated and reviewed the results of the external audit, the audited report and the management letter, including management's response in relation to the audited financial statements of the Group for the financial year ended 31 December 2015;

(g) CH confirmed that they were and had been independent through the conduct of the audit engagement in accordance with the International Federation of Accountant's Code of Ethics for Professional Accountants and the By-Laws (On Professional Ethics, Conduct and Practice). The AC had reviewed the EA's performance, effectiveness, independence, remuneration, and level of non-audit services. Being satisfied with CH performance, the AC had recommended to the Board for approval on the re-appointment of CH as EA for the financial year ending 31 December 2016.

(h) The Board at its meeting on 27 February 2016 had approved on the AC's recommendation, to appoint CH as EA of the Company for the financial year ending 31 December 2016, subject to the shareholder's approval to be sought at the forthcoming 15th Annual General Meeting;

(i) The AC had reviewed and approved the internal audit reports which IA had presented to the AC on 23 February 2015, 29 May 2015, 26 August 2015 and 24 November 2015. The report contained the findings, status and progress of the internal audits, audit recommendations provided by the IA and corrective actions taken by the Management in addressing and resolving issues. The areas covered by the IA in 2015 consists of:
- Warehouse and Distribution
- Production
- Finance
- Risk Management Framework – Annual review of the implementation;

(j) On 24 November 2015, the AC had reviewed the internal audit review plan for year 2016 and recommended for the Board's consideration and approval;

(k) On 29 May 2015, 26 August 2015 and 24 November 2015, the AC had discussed the purchasing policy for the Group. The purchasing policy was recommended to the Board for approval at the Board Meeting held on 24 November 2015 and had been approved and adopted;

(l) Reviewed any related party transactions that may arise within the Company or the Group; and

(m) 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.

5. INTERNAL AUDIT AND RISK MANAGEMENT FUNCTIONS

The Company has outsourced its internal audit and risk management functions to Messrs SQM, a professional services firm as IA, 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 is 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 outsourced in respect of the financial year ended 31 December 2015 was RM66,000.

The main responsibilities of the IA 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
- Perform any ad hoc appraisals, inspections, investigations, examinations and reviews requests of the AC or Senior Management as appropriate.

Audit Committee Report (Cont'd)

5. INTERNAL AUDIT AND RISK MANAGEMENT FUNCTIONS (CONT'D)

Activities of Internal Audit Function

- Prepare 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;
- Follow 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; and
- 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 and risk management.

This report is made with the approval of the Board dated 14 April 2016.

Corporate Governance Statement

The Board of Directors ("the Board") is committed to ensure that a high standard of corporate governance are practiced throughout the Group as a fundamental part of discharging its duties and responsibilities, to safeguard and enhance the long-term interests of its shareholders and other stakeholders.

The Board is pleased to present the following statement, as sets out the manner in which the Group has applied the principles and specific recommendations of the Malaysian Code on Corporate Governance 2012 ("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 responsible for oversight of Management comprising the Chief Executive Officer ("CEO"), Executive Directors and the Department Heads within the Group, which includes directing, overseeing and monitoring the Management, ethical conducts and regulatory compliances, as well as to raise questions to 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 an Independent Non-Executive Director, who is responsible for heading the Board, to encourage all Directors to play an active role in Board activities, matters concerning the Board, to monitor 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 discharge their fiduciary duties and to assist the Board in the running of the Group. The Board Committees comprising Audit Committee, Nomination Committee, Remuneration Committee and Risk Management Committee.

Each Board Committee operates within clearly defined Terms of Reference. The Board Committees 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 roles and responsibilities based on their job functions. However, the Board still remains fully 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 comprise 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 the day-to-day 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 as well as enhancing the shareholders' and other stakeholders' value.

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

Management Committee ("MC") comprises mainly of the 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 Auditors and Audit Committee ("AC") reviews the risk management profile and policies formulated by the MC and makes relevant recommendations to the Board for approval.

The Board also established Risk Management Committee ("RMC") to define and review the risk management strategies, policies and risk tolerance of the Group.

Corporate Governance Statement (Cont'd)

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 (Cont'd)

The systems of internal control have been implemented to reduce the risks of failure and to achieve the Group's objective.

Details of the RMF and RMC are set out on page 30 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 of the Group.

Details of the NC and RC are set out on pages 22 to 24 of this Annual Report respectively.

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, as soon as practicable, after the announcement was made to Bursa Malaysia, at our official website at **http://www.johoretin.com.my.**

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

The Board has delegated to the AC to examine the effectiveness of the Group's Risk Management 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 30 and 31 of this Annual Report.

1.3 Code of Ethics and Conduct

The Board acknowledges the importance of establishing a corporate culture which governs the high standard of ethic and good conduct of all employees including Directors.

As a result, the Board has formalised the ethical standards through the Code of Ethics and Conduct ("the CEC") which provides general rules and guidelines for conducting business. In term of employee's personality and behaviour, CEC promotes honesty and integrity when dealing with people within or outside the organisation, and to avoid conflict of interest when dealing with customers or suppliers. Whereas in term of documentation and information, CEC provides guidelines on record-keeping and highlight the importance of confidential information or insider trading, as well as compliance with various relevant law & regulations, for which it may have major impact on the Group as a whole. CEC also strengthen the awareness of protection and proper use of Group's assets or properties.

The Code of Ethics and Conduct shall be reviewed and updated periodically should there be regulations changes or practical issues which are not covered by the present Code.

The Board has yet to establish the whistleblowing policy, but the Group provides briefings and handbook to all employees. Any violation, improper conduct or wrongdoing by any employee, the Group shall not tolerate with any such behaviour and action will be taken against the wrongdoers if subsequent investigation has been concluded and they were found guilty.

Corporate Governance Statement (Cont'd)

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, in ensuring all employees adhere strictly 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 beneficiaries from our Group's contributions are Persekutuan Tiong Hua Johor Bahru, Kolej Universiti Selatan, Chong Hwa High School Kluang 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 responsibilities and highlighting relevant issues and updating latest information. The Independent Non-Executive Directors may require further explanation, information or updates on any aspects of the Group's operations or business concerns from the Management.

All Directors have access to the advice and services of the Company Secretary. And if deemed necessary, the Independent Non-Executive Director may seek independent professional or other advice, at the expense of the Group in the discharge of their duties, subject to the approval by the Chairman or the Board.

1.6 Qualified and Competent Company Secretary

Ms. Yong May Li was appointed as the Company Secretary of the Company in Year 2003. She is a secretary licensed by Companies Commission of Malaysia ("CCM") since October 1992 and an Affiliate Member of the Malaysian Institute of Chartered Secretaries and Administrators. She is qualified to act as Company Secretary under Section 139A of the Companies Act 1965.

The Company Secretary plays an advisory role to the Board in relation to the compliance 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 at each Board meeting. Ms. Yong has also attended the continuous professional development programmes as required by the CCM.

All Agendas for each Board meeting were circulated to the Board members at least seven (7) days in advance to enable them to have sufficient time to digest all information and prepare for the meeting.

The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in discharging their duties.

Corporate Governance Statement (Cont'd)

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

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 following are the key matters that highlighted in the Group's Board charter:

a) Structure and membership;
b) A formal schedule of matters reserved for the Board;
c) A position description of the role of Chairman, CEO, and Executive Directors, as well as Non-Executive Directors;
d) An appointment of Board Committees;
e) Directors' orientation and education programme; and
f) An independent professional advice.

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 at http://www.johoretin.com.my.

2. STRENGTHEN COMPOSITION

2.1 Nominating Committee

The Nomination Committee ("NC") comprises three (3) members, all of whom are Independent Non-Executive Directors. The NC is chaired by a Senior Independent Non-Executive Director, as promulgated by the commentary to Recommendation 2.1 of the Code.

The Term of Reference of NC comprise of the following:

a) Considering the recommendations proposed by the Chief Executive Officer, and within the bounds of practicability, by any Director or Shareholder or any other Senior Executive;
b) Making recommendations to the Board on new candidates for directorship and members for the Board's Committee;
c) Assisting the Board to review annually the required mix of skills and experience and other qualities of the Directors; and
d) Assisting the Board to assess annually the effectiveness of the Board as a whole and the Board's Committees, as well as contribution of each individual Director.

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

Name of Directors *(Designation)*	No. of Meetings Attended
Datuk Kamaludin Bin Yusoff *(Chairman/Senior Independent Non-Executive Director)*	2/2
Siah Chin Leong *(Independent Non-Executive Director)*	2/2
Ng Lee Thin (f) *(Independent Non-Executive Director)*	2/2

Summary of activities of NC during the financial year:

a) Made recommendations to the Board on new candidate(s) for the 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 member of the Board annually.

Corporate Governance Statement (Cont'd)

2. STRENGTHEN COMPOSITION (CONT'D)

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

A. Appointment or Re-Appointment of Directors

The nomination process for the appointment of new Directors involves identifying the candidate and then evaluating his/her suitability. After due deliberation, the NC will recommend to the Board the candidate to be appointed as a Director. The final decision on any appointment rests with the Board. The NC also recommends to the Board those Directors who are retiring at the forthcoming Annual General Meeting for re-election.

The Board does take into consideration of the following criterias pertaining to the recruitment/appointment (including re-election/re-appointment) of 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 Board Committees on an annual basis in relation to their performance and contribution toward the needs of the Company. The evaluation took into consideration the competency, experience, character, integrity and time availability, including the mix of skills.

A peer assessment will be conducted via evaluation form which will circulate to each Director. The area of assessment for individual Director, Chairman of the Board and Chairman of Board Committees includes the contribution to interaction, quality of input and understanding of role.

The Company Secretary will compile and present the result of the analysis to the NC. The NC will then report the results to the Board for notation.

The NC also will assess the performance of the Board as a whole and Board Committees. The areas of assessment for the Board includes the Board structure, Board operations and Board Chairman's roles and responsibilities.

In 2015, the NC concluded that the overall performance of each individual director was rated as "Strong", while the overall performance of the Board and the Board Committees Chairman were rated as "Consistently Good".

C. Gender Diversity Policy

The Board does not have a gender diversity policy, however, as recommended by the Code (under Recommendation 2.2 of the Code), the Board has appointed a woman Director in 2014, as an Independent Non-Executive Director to participate on Board Committees as well.

D. Appointment of Senior Independent Non-Executive Director ("SINED")

The Board has appointed a SINED in 2014 (under Recommendation 2.1 of the Code).

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

a) To 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) To ensure sufficient time is given to the Independent Directors for the discussion of all agenda items; and
c) To serve as a communication channel between the Board and the shareholders, either directly or indirectly, to discuss issues or suggestions that will affect the Group as a whole.

Corporate Governance Statement (Cont'd)

2. STRENGTHEN COMPOSITION (CONT'D)

2.3 Remuneration Committee

The Remuneration Committee ("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 Meetings Attended
Ng Lee Thin (f) *(Chairman/Independent Non-Executive Director)*	2/2
Edward Goh Swee Wang *(Chief Executive Officer)*	2/2
Siah Chin Leong *(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 RC 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.

The directors' fees for both Executive Directors and Non-Executive Directors are recommended by the Board as a whole, subject to the shareholders' approval at the forthcoming Annual General Meeting ("AGM"). The committee member's allowance and meetings allowance for Board and Board Committees, which form part of the director fees, are based on each committee member held the position in each Board and Board Committees, together with the attendance of the meetings conducted throughout the year.

Details remuneration of the Company's Directors derived from the Group for the financial year ended 31 December 2015 are summarised as below:

i) The aggregate remuneration of the Company's Directors are as follows:

Salaries and Other Emoluments	Executive (RM)	Non-Executive (RM)	Total (RM)
Salaries and other emoluments	2,519,685	-	2,519,685
Fees	326,000	194,000	520,000
Total	2,845,685	194,000	3,039,685

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

Directors' Remuneration	Executive	Non-Executive	Total
RM50,001 – RM100,000	-	3	3
RM450,001 – RM500,000	1	-	1
RM750,001 – RM800,000	1	-	1
RM1,550,001 – RM1,600,000	1	-	1

Corporate Governance Statement (Cont'd)

3. REINFORCE INDEPENDENCE

3.1 Annual Assessment of Independence

During the financial year under review, the NC has assessed the contribution and performance of the Independent Directors. The criteria set out in Paragraph 1.01 of the Listing Requirements of Bursa Securities were also used to assess the independence of Independent Director. 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 Recommendations 3.2 and 3.3 of the Code, the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to either the re-designation of the director as a Non-Independent Director or seek for shareholders' approval to continue in office as an Independent Non-Executive Director.

Currently, the Chairman and all Independent Directors have served the Board for less than nine (9) years. Their tenures of services are set out in their respective Profile of Board of Directors on pages 11 to 13 of this Annual Report.

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 objectives.

3.4 Board Composition

Currently, the Board consists of six (6) Directors comprising three (3) Executive Directors, and three (3) Independent Non-Executive Directors, having 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 Independent Non-Executive Directors account for 50% of the Board, where the Chairman of the Board is an Independent Non-Executive Director. 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.

The current Board composition is classified in the following categories:

Gender	No. of Directors	Total
Male	5	5
Female	1	1
Total	6	6

Age Group	No. of Directors	Total
40 - 49 years	1	1
50 - 59 years	3	3
60 - 69 years	2	2
Total	6	6

Corporate Governance Statement (Cont'd)

3. REINFORCE INDEPENDENCE (CONT'D)

3.4 Board Composition (Cont'd)

Race / Ethnicity	No. of Directors	Total
Malay	1	1
Chinese	5	5
Indian	-	-
Others	-	-
Total	6	6

Nationality	No. of Directors	Total
Malaysian	5	5
Foreigner	1	1
Total	6	6

4. FOSTER COMMITMENT

4.1 Time Commitment

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

The Board is assisted by the Company Secretary to ensure timely circulation of notice 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.

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

Name of Directors (Designation)	Attendance
Datuk Kamaludin Bin Yusoff *(Chairman/Senior 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 Hun Swee *(Executive Director)*	4/4
Siah Chin Leong *(Independent Non-Executive Director)*	4/4
Ng Lee Thin (f) *(Independent Non-Executive Director)*	4/4

Under Recommendation 4.1 of the Code, the Board has set out expectations on time commitment for its members and protocols for accepting new directorship. All Directors are required to notify the Chairman before accepting any new directorship. This is to show the time commitment from the Directors to carry out their responsibilities and duties.

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(3) of the Listing Requirements of Bursa Securities.

Corporate Governance Statement (Cont'd)

4. FOSTER COMMITMENT (CONT'D)

4.2 Training (Cont'd)

During the financial year under review, all Directors have attended the seminars or trainings as stated below:

Name of Directors	Workshops / Courses Attended	Date
Datuk Kamaludin Bin Yusoff	Goods & Services Tax Briefing	25 Mar 2015
Edward Goh Swee Wang	2015 U.S. Dairy Business Conference	16 Apr 2015
Yeow Ah Seng @ Yow Ah Seng	2016 Tax & Budget Outlook	5 Nov 2015
Lim Hun Swee	2016 Tax & Budget Outlook	5 Nov 2015
Siah Chin Leong	2016 Tax & Budget Outlook	5 Nov 2015
Ng Lee Thin (f)	2016 Tax & Budget Outlook	5 Nov 2015

Other than attending the seminars and workshops, the Directors are also well-informed on the updated financial and operational performance of the Group as well as changes in the 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 the 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.

The details pertaining to the composition of the AC and its functions are set out on pages 15 to 18 of this Annual Report.

5.2 Assessment on the 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 the 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 32 of this Annual Report.

The AC was satisfied with the suitability of the External Auditors based on the quality of services provided to the Group. The AC was also satisfied in its review that the self-declaration made by the audit engagement partner and engagement audit team members that they did not, in any way, impair their independence as External Auditors, as well as the provision of non-audit services by the External Auditors to the Group, for the current financial year, is relatively insignificant.

The tenure of the current External Auditors is reviewed on an annual basis. The Board is, in no doubt, satisfied with their competency, independence and professionalism throughout the audit assignment. However, the re-appointment of the External Auditors is subject to the shareholders' approval at the forthcoming AGM.

Corporate Governance Statement (Cont'd)

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.

The roles and responsibilities of the RMF and Term of Reference of the RMC are set out on page 30 of this Annual Report.

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 30 and 31 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 is 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.

Corporate Governance Statement (Cont'd)

8 STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS (CONT'D)

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 the External Auditors and Internal Auditors were invited to attend the meeting, to respond to the shareholders' queries, if necessary.

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 14 April 2016.

Statement on Risk Management and Internal Control

The Board of Directors of Johore Tin Berhad is committed in maintaining a sound internal control and risk management system. The Management will also continue to take appropriate measures to strengthen the risk management and system of internal control.

This Statement is made in pursuant to paragraph 15.26(b) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers. The following Statement outlines the nature and scope of risk management and internal control system of the Group during the financial year under review.

BOARD'S RESPONSIBILITY

The Board affirms its overall responsibility for the Group's risk management and system of internal control, and for reviewing the adequacy and integrity of the system.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business goals and objectives within the tolerable levels that are accepted by the Board and Management. 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.

RISK MANAGEMENT FRAMEWORK

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 have its effectiveness, communication in relation to the segregation of authority, responsibility and accountability within the Group, it 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 oversee by the independent Internal Auditors and the Audit Committee ("AC"), in identifying, evaluating, monitoring as well as managing those significant risks that are faced by the Group.

A Risk Management Committee ("RMC") was formed in 16 January 2014. The RMC comprises of Independent Non-Executive Director, Chief Executive Officer ("CEO"), Executive Director, General Manager and Factory Manager. The RMC is chaired by an Independent Non-Executive Director and meets at least two (2) times 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 making;
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; and
d) To perform any other functions in relation to the risk management as and when identified by the RMC and the Board.

In 2015, the RMC continues to focus on operational risks in term of inventories management, factory spacing and storage planning, and human resources integration. The RMC also reviewed, evaluated and discussed, through the presentation of Risk Register and Risk Matrix, the matters pertaining to the key corporate risks that may affect the Group's decision making.

The RMC is satisfied with the risks findings for the financial year under review and subsequently recommended to the Board for its deliberation and approval at the Board meeting.

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL AUDIT

The risk management and 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 risk management and internal audit functions had been outsourced to an independent professional services firm, Messrs SQM. Internal audit is carried out periodically in all the subsidiaries in accordance with the annual internal audit plan approved by AC. The internal audit review contained the findings, status and progress, recommendations and management responses were reviewed directly by the AC, AC would 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 the warehouse and distribution, finance and production cycles, as well as update on overall risk assessment for previous year's unsolved matters 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.

KEY INTERNAL CONTROL PROCESSES

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

a) A well-defined organisational structure with clear lines of responsibility and segregation of duties as well as clearly defined level of authority within the Group;
b) Sufficient insurance coverage to the Group's major assets against theft or disaster that may result in material losses, and 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 comprising Senior Management and the Department Heads, 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; and
e) A code of ethic for all employees, which defines the ethical standards and work conduct required within the Group.

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 2015, 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 risk management and system of internal control within the Group.

CONCLUSION

The Board is of the view that the Group's risk management and system of internal control are in place for the financial year under review and up to the date of approval of this Statement, are satisfactory and sufficient to safeguard the Group's assets, as well as the best interests of its shareholders, investors and other stakeholders.

The Board has also received reasonable assurance from the CEO and Group Finance Manager that the Group's risk management and internal control system are 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 independent Internal Auditors and management letter, which highlighted minor deficiencies by the External Auditors.

This statement is made in accordance with a Board resolution dated 14 April 2016.

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	%
i)	Purchase of land and construction of new warehouse and factory	15,000	15,000	18 months	-	-
ii)	Purchase of machineries and equipment	8,000	8,000	18 months	-	-
iii)	Upgrading works *	1,500	1,161	18 months	339	1.14
iv)	Working capital	4,857	4,857	12 months	-	-
v)	Rights issue expenses	500	500	1 month	-	-
		29,857	29,518		339	1.14

* Further upgrading works in the existing Kuala Langat's factory will only commence after transfer of some machineries into the new warehouse and factory.

(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 2015.

(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 2015 amounted to RM4,000 (2014: RM4,000).

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

Additional Compliance Information (Cont'd)

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 2015.

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

7. PROFIT GUARANTEE

There were no profit guarantees received/given by the Company and its subsidiaries during the financial year.

(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 a subsidiary has entered into a tenancy agreement with the respective subsidiary company of the Group. Both parties had mutually agreed to renew the tenancy agreement in every two (2) years. The last renewal on 15 November 2015 and shall expire on 14 November 2017, at a renewed monthly rental of RM1,400.

Another subsidiary company's Director had entered into a hostel tenancy agreement with the respective subsidiary of the Group and both parties had mutually agreed to renew the tenancy agreement in every two (2) years. The last renewal on 1 April 2015 and shall expire on 31 March 2017, at a renewed monthly rental of RM1,000.

Other than the above, 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 2015 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 2015.

Details of the seminars or courses attended are disclosed in the Corporate Governance Statement, as set out on page 27 of this Annual Report.

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

11. RISK MANAGEMENT AND INTERNAL AUDIT FUNCTION

The Risk Management and internal audit function was outsourced and the cost incurred for the internal audit function in respect of the financial year ended 31 December 2015 was RM66,000 (2014: RM66,000).

The Statement of Risk Management and Internal Control is set out on pages 30 and 31 of this Annual Report.

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

Additional Compliance Information (Cont'd)

12. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT")

During the financial year ended 31 December 2015, 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 were not materially different from those transactions with unrelated parties.

Details of the recurrent related party transactions are disclosed and set out in Note 37 on page 79 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.)

Directors' Report

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. 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	15,661,147	8,456,667
Attributable to:-		
Owners of the Company	17,301,772	8,456,667
Non-controlling interests	(1,640,625)	-
	15,661,147	8,456,667

DIVIDENDS

A single tier final dividend of 3.50 sen per ordinary share amounting to RM3,265,686 for the financial year ended 31 December 2014 was approved by the shareholders at the Annual General Meeting held on 29 June 2015 and paid on 24 July 2015.

At the forthcoming Annual General Meeting, a single tier final dividend of 4 sen per ordinary share amounting to RM3,732,213 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 2016.

RESERVES AND PROVISIONS

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

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.

Directors' Report (Cont'd)

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 2015, 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 1.1.2015	Granted	Exercised	Balance as of 31.12.2015
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 all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the making of 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.

Directors' Report (Cont'd)

CONTINGENT AND OTHER LIABILITIES

The contingent liabilities are disclosed in Note 39 to the financial statements. At the date of this report, there does not exist:-

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year.

DIRECTORS

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

Edward Goh Swee Wang
Yeow Ah Seng @ Yow Ah Seng
Datuk Kamaludin Bin Yusoff
Lim Hun Swee
Ng Lee Thin
Siah Chin Leong

DIRECTORS' INTERESTS

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

	Number of Ordinary Shares of RM1.00 Each			
	At 1.1.2015	Bought	SOLD	AT 31.12.2015
Direct Interest in the Company				
Datuk Kamaludin Bin Yusoff	207,300	-	(60,000)	147,300
Edward Goh Swee Wang	5,217,876	-	-	5,217,876
Lim Hun Swee	13,215,000	-	-	13,215,000
Siah Chin Leong	10,000	-	(9,000)	1,000
Yeow Ah Seng @ Yow Ah Seng	1,978,666	-	-	1,978,666

Directors' Report (Cont'd)

DIRECTORS' INTERESTS (CONT'D)

	Number of Ordinary Shares of RM1.00 Each			
	At 1.1.2015	Bought	SOLD	AT 31.12.2015
Indirect Interest in the Company				
Datuk Kamaludin Bin Yusoff	4,500,040	-	(122,000)	4,378,040
Edward Goh Swee Wang	13,540,885	20,000	(90,000)	13,470,885

By virtue of Edward Goh Swee Wang's shareholding in the shares of the Company, he is 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 had no 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 37 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.

Directors' Report (Cont'd)

AUDITORS

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

Signed in accordance with a resolution of the directors dated 11 April 2016

Edward Goh Swee Wang

Yeow Ah Seng @ Yow Ah Seng

Independent Auditors' Report

To The Members of Johore Tin Berhad (Company No.: 532570-V)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Johore Tin Berhad, which comprise the statements of financial position as at 31 December 2015 of the Group and of the Company, and the 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 42 to 94.

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 2015 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.

Independent Auditors' Report (Cont'd)

To The Members of Johore Tin Berhad (Company No.: 532570-V)

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 42 on page 95 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
11 April 2016

Tan Lin Chun
Approval No: 2839/10/17 (J)
Chartered Accountant

Johor Bahru

Statements of Financial Position

At 31 December 2015

		The Group		The Company	
	NOTE	2015 RM	2014 RM	2015 RM	2014 RM
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	133,496,347	128,202,601
Property, plant and equipment	6	100,226,069	82,227,925	312,004	405,988
Investment properties	7	-	1,621,466	-	-
Goodwill	8	10,650,327	10,650,327	-	-
Other investment	9	16,500	16,500	-	-
		110,892,896	94,516,218	133,808,351	128,608,589
CURRENT ASSETS					
Inventories	10	130,631,038	130,714,014	-	-
Trade receivables	11	81,873,400	73,576,081	-	-
Other receivables, deposits and prepayments	12	3,294,902	3,697,037	-	-
Amount owing by subsidiaries	13	-	-	990,000	385,000
Current tax assets		3,315,856	1,179,068	291,068	298,324
Derivative assets	14	20,500	-	-	-
Fixed deposits with licensed banks	15	21,125	6,047,905	-	4,010,521
Cash and bank balances		36,897,949	19,445,833	288,753	2,667,647
		256,054,770	234,659,938	1,569,821	7,361,492
TOTAL ASSETS		366,947,666	329,176,156	135,378,172	135,970,081

The annexed notes form an integral part of these financial statements

Statements of Financial Position (Cont'd)

At 31 December 2015

		The Group		The Company	
	NOTE	2015 RM	2014 RM	2015 RM	2014 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	16	93,305,333	93,305,333	93,305,333	93,305,333
Reserves	17	101,573,246	87,456,432	32,610,057	27,419,076
Equity attributable to owners of the Company		194,878,579	180,761,765	125,915,390	120,724,409
Non-controlling interest		(2,472,965)	(832,340)	-	-
TOTAL EQUITY		192,405,614	179,929,425	125,915,390	120,724,409
NON-CURRENT LIABILITIES					
Long term borrowings	18	6,537,432	10,580,355	2,757,854	4,191,559
Retirement benefits	19	456,000	391,000	-	-
Deferred tax liabilities	20	5,857,145	5,720,337	78,000	101,500
		12,850,577	16,691,692	2,835,854	4,293,059
CURRENT LIABILITIES					
Trade payables	21	38,086,603	59,539,146	-	-
Other payables and accruals	22	16,220,610	11,539,878	568,529	779,505
Amount owing to directors	23	1,187,107	688,830	-	-
Amount owing to subsidiaries	13	-	-	629,550	4,744,889
Bank overdrafts	24	2,665,427	-	-	-
Current tax liabilities		2,542,350	1,362,009	-	-
Derivative liabilities	14	-	716,505	-	-
Short term borrowings	25	100,989,378	58,708,671	5,428,849	5,428,219
		161,691,475	132,555,039	6,626,928	10,952,613
TOTAL LIABILITIES		174,542,052	149,246,731	9,462,782	15,245,672
TOTAL EQUITY AND LIABILITIES		366,947,666	329,176,156	135,378,172	135,970,081

The annexed notes form an integral part of these financial statements

Statements of Profit or Loss And Other Comprehensive Income

For The Financial Year Ended 31 December 2015

		The Group		The Company	
	NOTE	2015 RM	2014 RM	2015 RM	2014 RM
REVENUE	28	417,410,049	316,778,807	10,639,072	3,676,815
OTHER OPERATING INCOME		5,781,327	2,146,350	23,398	283,665
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		1,256,075	3,110,695	-	-
RAW MATERIALS AND CONSUMABLES USED		(328,067,972)	(241,139,679)	-	-
EMPLOYEE BENEFITS	29	(25,950,016)	(23,573,232)	(1,241,721)	(1,162,088)
DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT		(7,586,634)	(7,122,113)	(92,984)	(29,827)
DEPRECIATION OF INVESTMENT PROPERTIES		(13,833)	(16,599)	-	-
FINANCE COSTS		(2,766,830)	(1,661,759)	(477,621)	(562,431)
OTHER OPERATING EXPENSES		(37,014,730)	(30,164,201)	(416,977)	(324,121)
PROFIT BEFORE TAX	30	23,047,436	18,358,269	8,433,167	1,882,013
INCOME TAX EXPENSE	31	(7,386,289)	(6,339,432)	23,500	(80,300)
PROFIT AFTER TAX		15,661,147	12,018,837	8,456,667	1,801,713
OTHER COMPREHENSIVE INCOME, NET OF TAX					
- Foreign currency translation differences		80,728	30,041	-	-
		80,728	30,041	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		15,741,875	12,048,878	8,456,667	1,801,713
PROFIT AFTER TAX ATTRIBUTABLE TO:-					
Owners of the Company		17,301,772	12,978,716	8,456,667	1,801,713
Non-controlling interests		(1,640,625)	(959,879)	-	-
		15,661,147	12,018,837	8,456,667	1,801,713
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
Owners of the Company		17,382,500	13,008,757	8,456,667	1,801,713
Non-controlling interests		(1,640,625)	(959,879)	-	-
		15,741,875	12,048,878	8,456,667	1,801,713
Earnings per share					
- basic (sen)	32	18.54	13.91		
- diluted (sen)	32	N/A	N/A		

The annexed notes form an integral part of these financial statements

Statements of Changes in Equity

For The Financial Year Ended 31 December 2015

THE GROUP	NOTE	Non-distributable Share Capital RM	Share Premium RM	Translation Reserve RM	Warrants Reserve RM	Distributable Retained Profits RM	Attributable to Owner of The Company RM	Non-controlling interest RM	Total Equity RM
Balance at 1.1.2014		93,305,333	5,528,136	(713,361)	5,232,757	66,266,250	169,619,115	127,539	169,746,654
Profit after tax for the financial year		-	-	-	-	12,978,716	12,978,716	(959,879)	12,018,837
Other comprehensive income for the financial year, net of tax:									
- Foreign currency translation differences		-	-	30,041	-	-	30,041	-	30,041
Total comprehensive income for the financial year		-	-	30,041	-	12,978,716	13,008,757	(959,879)	12,048,878
Contribution by and distribution to owners of the Company									
- Dividends	33	-	-	-	-	(1,866,107)	(1,866,107)	-	(1,866,107)
Total transaction with owners		-	-	-	-	(1,866,107)	(1,866,107)	-	(1,866,107)
Balance at 31.12.2014		93,305,333	5,528,136	(683,320)	5,232,757	77,378,859	180,761,765	(832,340)	179,929,425

Statements of Changes in Equity (Cont'd)

For The Financial Year Ended 31 December 2015

THE GROUP	NOTE	← Non-distributable → Share Capital RM	Share Premium RM	Translation Reserve RM	Warrants Reserve RM	Distributable Retained Profits RM	Attributable to Owner of The Company RM	Non-controlling interest RM	Total Equity RM
Balance at 31.12.2014/1.1.2015		93,305,333	5,528,136	(683,320)	5,232,757	77,378,859	180,761,765	(832,340)	179,929,425
Profit after tax for the financial year		-	-	-	-	17,301,772	17,301,772	(1,640,625)	15,661,147
Other comprehensive income for the financial year, net of tax:									
- Foreign currency translation differences		-	-	80,728	-	-	80,728	-	80,728
Total comprehensive income for the financial year		-	-	80,728	-	17,301,772	17,382,500	(1,640,625)	15,741,875
Contribution by and distribution to owners of the Company									
- Dividends	33	-	-	-	-	(3,265,686)	(3,265,686)	-	(3,265,686)
Total transaction with owners		-	-	-	-	(3,265,686)	(3,265,686)	-	(3,265,686)
Balance at 31.12.2015		93,305,333	5,528,136	(602,592)	5,232,757	91,414,945	194,878,579	(2,472,965)	192,405,614

The annexed notes form an integral part of these financial statements

Statements of Changes in Equity (Cont'd)

For The Financial Year Ended 31 December 2015

THE COMPANY	NOTE	← Non-distributable Share Capital RM	Share Premium RM	Warrants Reserve RM →	Distributable Retained Profits RM	Total Equity RM
Balance at 1.1.2014		93,305,333	5,528,136	5,232,757	16,722,577	120,788,803
Total comprehensive income for the financial year		-	-	-	1,801,713	1,801,713
Distribution to owners of the Company						
- Dividends	33	-	-	-	(1,866,107)	(1,866,107)
Balance at 31.12.2014/1.1.2015		93,305,333	5,528,136	5,232,757	16,658,183	120,724,409
Total comprehensive income for the financial year		-	-	-	8,456,667	8,456,667
Distribution to owners of the Company						
- Dividends	33	-	-	-	(3,265,686)	(3,265,686)
Balance at 31.12.2015		93,305,333	5,528,136	5,232,757	21,849,164	125,915,390

The annexed notes form an integral part of these financial statements

Statements of Cash Flows

For The Financial Year Ended 31 December 2015

		The Group		The Company	
	NOTE	2015 RM	2014 RM	2015 RM	2014 RM
CASH FLOWS FOR OPERATING ACTIVITIES					
Profit before tax		23,047,436	18,358,269	8,433,167	1,882,013
Adjustments for:-					
Allowance for impairment losses on trade receivables	11	447,537	-	-	-
Bad debts written off		5,029	-	-	-
Dividend income		-	-	(10,259,072)	(3,291,815)
Depreciation of property, plant and equipment		7,586,634	7,122,113	92,984	29,827
Depreciation of investment properties		13,833	16,599	-	-
Gain on disposal of property, plant and equipment		(8,500)	-	-	-
Gain on disposal of investment properties		(3,311,715)	-	-	-
Net (gain)/loss on foreign exchange					
- unrealised (trade)		(1,659,969)	1,263,884	-	-
Interest expense					
- bank borrowings		2,325,927	1,480,255	477,621	562,431
Interest income		(266,664)	(422,031)	(23,398)	(283,665)
(Gain)/Loss on fair values changes in financial instruments		(737,005)	550,500	-	-
Property, plant and equipment written off		211,520	33,628	1,000	-
Reversal of allowance for impairment losses on trade receivables	11	(3,000)	(98,958)	-	-
Reversal of inventories written off		(35,768)	-	-	-
Addition of provision for retirement benefits		65,000	90,000	-	-
Operating profit/(loss) before working capital changes		27,680,295	28,394,259	(1,277,698)	(1,101,209)
Decrease/(Increase) in inventories		118,744	(72,448,312)	-	-
Increase in trade and other receivables		(8,534,615)	(32,376,278)	-	-
(Increase)/Decrease in amount owing by subsidiaries		-	-	(605,000)	565,000
(Decrease)/Increase in trade and other payables		(16,047,512)	52,312,059	(210,976)	271,575
Increase/(Decrease) in amount owing to directors		498,277	(24,613)	-	-
CASH FROM/(FOR) OPERATIONS		3,715,189	(24,142,885)	(2,093,674)	(264,634)
Interest expense		(2,325,927)	(1,480,255)	(477,621)	(562,431)
Tax paid		(8,283,184)	(6,651,630)	(36,000)	(33,000)
Tax refund		77,256	2,170,495	43,256	-
NET CASH FOR OPERATING ACTIVITIES		(6,816,666)	(30,104,275)	(2,564,039)	(860,065)

The annexed notes form an integral part of these financial statements

Statements of Cash Flows (Cont'd)

For The Financial Year Ended 31 December 2015

	NOTE	The Group 2015 RM	The Group 2014 RM	The Company 2015 RM	The Company 2014 RM
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Dividend received		-	-	10,259,072	3,291,815
Interest received		266,664	422,031	23,398	283,665
Placement of Escrow deposit		(7,225)	-	-	-
Proceeds from disposal of property, plant and equipment		8,500	-	-	-
Proceeds from disposal of investment properties		4,919,348	-	-	-
Quasi loans granted to subsidiaries	5	-	-	(5,293,746)	(5,515,414)
Purchase of property, plant and equipment	34	(25,331,298)	(12,676,542)	-	(347,340)
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(20,144,011)	(12,254,511)	(4,988,724)	(2,287,274)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Dividend paid	33	(3,265,686)	(1,866,107)	(3,265,686)	(1,866,107)
Drawdown/(Repayment) of bills payable		3,318,893	(374,881)	-	-
Net increase in amount owing to subsidiaries		-	-	(4,115,339)	-
Drawdown of trust receipts		40,703,078	37,806,575	-	-
Drawdown/(Repayment) of revolving credit		630	(999,781)	630	(999,781)
Repayment of hire purchase obligations		(3,200,479)	(3,104,200)	-	-
Repayment of term loans		(1,923,803)	(1,904,123)	(1,433,705)	(1,431,872)
NET CASH FROM/(FOR) FINANCING ACTIVITIES		35,632,633	29,557,483	(8,814,100)	(4,297,760)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		8,671,956	(12,801,303)	(6,389,415)	(7,445,099)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		25,493,738	38,265,856	6,678,168	14,123,267
EFFECTS ON FOREIGN EXCHANGE TRANSLATION		80,728	29,185	-	-
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	35	34,246,422	25,493,738	288,753	6,678,168

The annexed notes form an integral part of these financial statements

Notes To The Financial Statements
For The Financial Year Ended 31 December 2015

1. GENERAL INFORMATION

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

Registered office	:	Suite 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 11 April 2016.

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.

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

MFRSs (Including The Consequential Amendments)
Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions
Annual Improvements to MFRSs 2010 - 2012 cycle
Annual Improvements to MFRSs 2011 - 2013 cycle

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

3.2 The Group has not applied in advance the following applicable accounting standards (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 (including the Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers & Amendments to MFRS 15: Effective Date of MFRS 15	1 January 2018
Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011): Investment Entities – Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101: Presentation of Financial Statements - Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 - 2014 Cycle	1 January 2016

The adoption of the above accounting standards (including the consequential amendments, if any) is expected to have no material financial impact on the financial statements of the Group 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 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 expense and deferred tax balances in the year in which such determination is made.

(c) *Impairment of Non-Financial Assets*

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

(d) *Write down of Inventories*

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require 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*

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.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 Critical Accounting Estimates and Judgements (Cont'd)

(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.

(g) Impairment of Available-for-sale Financial Assets

The Group reviews its available-for-sale financial assets at the end of each reporting period to assess whether they are impaired. The Group also records impairment loss on available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost.

(h) 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 Financial Liabilities

The Group carries certain financial assets and financial 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 the end of the reporting period.

Subsidiaries are entities (including structured entities, if any) controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 Basis of Consolidation (Cont'd)

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. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

(a) Business Combinations

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

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

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

(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.

(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:-

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

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

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

Notes To The Financial Statements (Cont'd)
For The Financial Year Ended 31 December 2015

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 Goodwill

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. 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.

4.4 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 currencies.

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 currencies 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. Income, expenses and other comprehensive income 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; attributed to the owners of the Company and non-controlling interests, as appropriate.

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 currencies 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 January 2011) which are treated as assets and liabilities of the Company and are not retranslated.

4.5 Financial Instruments

Financial assets and financial liabilities 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.

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 Financial Instruments (Cont'd)

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.

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.

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

(ii) Held-to-maturity Investments

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.

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

(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.

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 Financial Instruments (Cont'd)

(a) Financial Assets (Cont'd)

(iv) Available-for-sale Financial Assets (Cont'd)

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.

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

(b) Financial Liabilities

All financial liabilities are initially measured 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.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(c) Equity Instruments

Equity instruments classified as equity are measured at cost and are not remeasured subsequently. Incremental costs directly attributable to the issue of new ordinary shares 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 expired. 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 the investments includes transaction costs.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.6 Investments (Cont'd)

(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 other than freehold land 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.

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

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

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

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, being the different between the net disposal proceeds and the carrying amount, is recognised in the profit or loss.

Notes To The Financial Statements (Cont'd)
For The Financial Year Ended 31 December 2015

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 years 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.

4.9 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.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the fair value reserve. In addition, the cumulative loss recognised in other comprehensive income and accumulated in equity under fair value reserve, is reclassified from equity into profit or loss.

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 an annual impairment assessment is compulsory of 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. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. 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 using a pre-tax discount rate. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.10 Assets under Hire Purchase

Assets acquired under hire purchase are capitalised in the financial statements as property, plant and equipment and the correspondence obligations are treated as hire purchase payables. The assets capitalised are measured at the lower of the fair value of the leased assets and the present value of the minimum lease payments and are depreciated on the same basis as owned assets. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant periodic rate of charge on the hire purchase 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, production or conversion costs 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.

4.12 Income Taxes

Income tax for the reporting period comprises current tax 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 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 taxes relate to the same taxable entity and 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 adjusted against 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 and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.14 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) 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 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.

4.16 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.

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 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).
(viii) The entity, or any member of a group of which it is part, provides key management personnel services to the reporting entity.

An impairment loss is recognised in profit or loss immediately.

Related parties also include key management personnel defined as those person having authority and responsibility for planning, directing and controlling the activities of the reporting entity either directly or indirectly, including its director (whether executive or otherwise) of that entity.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.17 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.

4.18 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 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.

4.19 Borrowing Costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

4.20 Revenue 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 goods and services tax, returns, cash 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 accounted for on a straight-line method over the lease term.

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.21 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.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2015 RM	2014 RM
Unquoted shares in Malaysia, at deemed cost		
At 31 December	99,517,850	99,517,850
Quasi loans:-		
At 1 January	28,684,751	23,169,337
Addition during the year	5,293,746	5,515,414
At 31 December	33,978,497	28,684,751
	133,496,347	128,202,601

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.

The details of the subsidiaries are as follows:-

Name of Subsidiary	Effective Equity Interest (%) 2015	Effective Equity Interest (%) 2014	Principal Place of Business	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	80	Malaysia	Trading of milk and other related dairy products
PT Medan Johor Tin * (held through JTFSB-90% & UISB-10%)	100	100	Indonesia	Dormant

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

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	2015	2014	2015	2014
	%	%	RM	RM
Able Food Sdn. Bhd.	20	20	(2,472,965)	(832,340)

(b) The summarised financial information (before intra-group elimination) for the subsidiary that has non-controlling interests that are material to the Group is as follows:-

	Able Food Sdn. Bhd.	
	2015 RM	2014 RM
At 31 December		
Non-current assets	606,394	443,428
Current assets	106,680,103	83,863,486
Current liabilities	(119,651,315)	(88,468,611)
Net liabilities	(12,364,818)	(4,161,697)
Financial year ended 31 December		
Revenue	152,160,296	58,209,900
Loss for the financial year	(8,203,121)	(4,799,393)
Total comprehensive expense	(8,203,121)	(4,799,393)
Total comprehensive expense attributable to non-controlling interests	(1,640,624)	(959,879)
Net cash flows for operating activities	(51,922,063)	(27,355,944)
Net cash flows for investing activities	(209,772)	(415,746)
Net cash flows from financing activities	55,610,610	27,540,165

6. PROPERTY, PLANT AND EQUIPMENT

The Group 2015	At 1.1.2015 RM	Additions (Note 34) RM	Written Off RM	Depreciation Charge RM	At 31.12.2015 RM
Net book value					
Freehold land	15,233,913	5,070	-	-	15,238,983
Leasehold land	49,232	-	-	(1,539)	47,693
Factory buildings	17,653,247	-	-	(422,424)	17,230,823
Plant and machinery	35,201,210	1,366,927	(210,520)	(5,430,371)	30,927,246
Mould, tools and factory equipment	1,802,988	236,480	-	(322,311)	1,717,157
Electrical installations and substation	1,858,828	-	-	(308,619)	1,550,209
Motor vehicles	1,184,039	227,417	-	(503,591)	907,865
Office equipment, furniture and fittings	1,818,927	332,023	(1,000)	(333,441)	1,816,509
Renovation	1,693,686	212,120	-	(264,338)	1,641,468
Building under construction	5,731,855	17,933,493	-	-	23,665,348
Machinery in progress	-	5,482,768	-	-	5,482,768
	82,227,925	25,796,298	(211,520)	(7,586,634)	100,226,069

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

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

The Group 2014	At 1.1.2014 RM	Additions (Note 34) RM	Written Off RM	Depreciation Charge RM	At 31.12.2014 RM
Net book value					
Freehold land	14,700,154	533,759	-	-	15,233,913
Leasehold land	50,771	-	-	(1,539)	49,232
Factory buildings	18,075,671	-	-	(422,424)	17,653,247
Plant and machinery	34,787,543	5,547,396	(28,416)	(5,105,313)	35,201,210
Mould, tools and factory equipment	1,918,776	193,788	(164)	(309,412)	1,802,988
Electrical installations and substation	2,131,286	35,195	-	(307,653)	1,858,828
Motor vehicles	1,685,633	-	(2,957)	(498,637)	1,184,039
Office equipment, furniture and fittings	1,130,204	923,020	(2,091)	(232,206)	1,818,927
Renovation	1,483,622	454,993	-	(244,929)	1,693,686
Building under construction	743,464	4,988,391	-	-	5,731,855
	76,707,124	12,676,542	(33,628)	(7,122,113)	82,227,925

The Group 2015	At Cost RM	Accumulated Depreciation RM	Accumulated Impairment RM	Net Book Value RM
Freehold land	15,238,983	-	-	15,238,983
Leasehold land	76,930	(29,237)	-	47,693
Factory buildings	21,121,174	(3,890,351)	-	17,230,823
Plant and machinery	85,338,120	(52,993,119)	(1,417,755)	30,927,246
Mould, tools and factory equipment	6,051,245	(4,334,088)	-	1,717,157
Electrical installations and substation	3,342,909	(1,792,700)	-	1,550,209
Motor vehicles	3,977,683	(3,069,818)	-	907,865
Office equipment, furniture and fittings	3,846,638	(2,030,129)	-	1,816,509
Renovation	3,240,442	(1,598,974)	-	1,641,468
Building under construction	23,665,348	-	-	23,665,348
Machinery in progress	5,482,768	-	-	5,482,768
	171,382,240	(69,738,416)	(1,417,755)	100,226,069

The Group 2014	At Cost RM	Accumulated Depreciation RM	Accumulated Impairment RM	Net Book Value RM
Freehold land	15,233,913	-	-	15,233,913
Leasehold land	76,930	(27,698)	-	49,232
Factory buildings	21,121,174	(3,467,927)	-	17,653,247
Plant and machinery	84,950,249	(48,331,284)	(1,417,755)	35,201,210
Mould, tools and factory equipment	5,814,765	(4,011,777)	-	1,802,988
Electrical installations and substation	3,342,909	(1,484,081)	-	1,858,828
Motor vehicles	3,821,266	(2,637,227)	-	1,184,039
Office equipment, furniture and fittings	3,515,615	(1,696,688)	-	1,818,927
Renovation	3,028,322	(1,334,636)	-	1,693,686
Building under construction	5,731,855	-	-	5,731,855
	146,636,998	(62,991,318)	(1,417,755)	82,227,925

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

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

The Company 2015	At 1.1.2015 RM	Written off RM	Depreciation Charge RM	At 31.12.2015 RM
Net book value				
Office equipment, furniture and fittings	405,988	(1,000)	(92,984)	312,004

The Company 2014	At 1.1.2014 RM	Addition RM	Depreciation Charge RM	At 31.12.2014 RM
Net book value				
Office equipment, furniture and fittings	88,475	347,340	(29,827)	405,988

The Company	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
2015			
Office equipment, furniture and fittings	578,614	(266,610)	312,004
2014			
Office equipment, furniture and fittings	579,614	(173,626)	405,988

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

Net Book Value	The Group 2015 RM	The Group 2014 RM
Plant and machinery	10,906,000	12,283,600
Motor vehicles	325,501	681,172
	11,231,501	12,964,772

The following assets of the Group at net book value have been pledged to financial institutions for banking facilities as disclosed in Notes 24, 25 and 27 to the financial statements are as follows:-

Net Book Value	The Group 2015 RM	The Group 2014 RM
Freehold land and buildings	5,813,584	5,951,805

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

7. INVESTMENT PROPERTIES

The Group Net book value	At 1.1.2015 RM	Disposals RM	Depreciation Charge RM	At 31.12.2015 RM
Leasehold land	1,060,315	(1,051,254)	(9,061)	-
Buildings	561,151	(556,379)	(4,772)	-
	1,621,466	(1,607,633)	(13,833)	-

The Group Net book value	At 1.1.2014 RM	Depreciation Charge RM	At 31.12.2014 RM
Leasehold land	1,071,188	(10,873)	1,060,315
Buildings	566,877	(5,726)	561,151
	1,638,065	(16,599)	1,621,466

The Group 2014	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
Leasehold land	1,459,307	(398,992)	1,060,315
Buildings	1,474,085	(912,934)	561,151
	2,933,392	(1,311,926)	1,621,466

The fair value of investment properties is NIL (2014: 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 2015 RM	 2014 RM
At cost		
At 1 January/31 December	10,650,327	10,650,327

(a) The carrying amounts of goodwill allocated to each cash-generating unit are as follows:-

	The Group 2015 RM	 2014 RM
Food and beverage	10,650,327	10,650,327

8. GOODWILL (CONT'D)

(a) The carrying amounts of goodwill allocated to each cash-generating unit are as follows:- (Cont'd)

The Group has assessed the recoverable amounts of goodwill allocated and determined that no additional 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 each cash-generating unit 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	
	2015 %	2014 %	2015 %	2014 %	2015 %	2014 %
Food and beverage	18	13	-	5	8.68	11.2

(i) Budgeted gross margin	Average gross margin achieved in 3 financial years immediately before the budgeted period.
(ii) Growth rate	Assume no growth for the subsequent 5 years.
(iii) Discount rate (pre - tax)	Reflects specific risks relating to the relevant cash-generating unit.

The values assigned to the key assumptions represent management's assessment of future trends in the cash-generating units and are based on both external source and internal historical data.

9. OTHER INVESTMENT

	The Group	
	2015 RM	2014 RM
Transferable golf club membership, at cost	16,500	16,500

Other investment of the Group are designated as available-for-sale financial assets but are stated at cost as their fair values cannot be reliably measured using valuation techniques due to the lack of marketability of the investment.

10. INVENTORIES

	The Group	
	2015 RM	2014 RM
Raw materials	80,775,183	61,079,956
Work-in-progress	11,218,975	12,392,972
Finished goods	9,836,961	7,357,720
Goods-in-transit	28,799,919	49,883,366
	130,631,038	130,714,014
Recognised in profit or loss:-		
Inventories recognised as cost of sales	385,428,093	295,920,038
Reversal of written-down	(35,768)	(107,193)

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

11. TRADE RECEIVABLES

	The Group	
	2015 RM	2014 RM
Trade receivables	85,077,723	76,558,393
Allowance for impairment losses	(3,204,323)	(2,982,312)
	81,873,400	73,576,081
Allowance for impairment losses at 1 January	2,982,312	3,081,270
Addition during the financial year (Note 30)	447,537	-
Written off during the financial year	(222,526)	-
Reversal during the financial year (Note 30)	(3,000)	(98,958)
Allowance for impairment losses at 31 December	3,204,323	2,982,312

The Group's normal trade credit terms range from 30 to 120 days (2014: 30 to 120 days).

Included in the trade receivables is an amount of RM3,270,938 (2014: RM3,013,985) owing by a company in which a director of a subsidiary of the Company has controlling interest.

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group	
	2015 RM	2014 RM
Other receivables:-		
Third parties	187,917	198,665
Related party	1,105,008	734,771
	1,292,925	933,436
GST receivable	1,526,687	-
Deposits	327,107	2,458,016
Prepayments	148,183	305,585
	3,294,902	3,697,037

The amount owing by a related party represents receivable from a company in which a director of a subsidiary of the Company has controlling interest. The amount is unsecured, interest-free and repayable on demand and is to be settled in cash.

13. AMOUNT OWING BY/(TO) SUBSIDIARIES

	The Company	
	2015 RM	2014 RM
Amount owing by subsidiaries		
Current		
Trade balances	990,000	385,000
Amount owing to a subsidiary		
Current		
Non-trade balances	(629,550)	(4,744,889)

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

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

14. DERIVATIVE ASSETS/(LIABILITIES)

Derivative Assets/(Liabilities)	Contract/ Notional amount 2015 RM	Contract/ Notional amount 2014 RM	The Group 2015 RM	The Group 2014 RM
Forward foreign currency contracts	3,455,300	13,461,525	20,500	(716,505)

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 for which firm commitments existed at the end of the reporting period. The settlement dates on forward foreign currency contracts range between 1 to 10 (2014: 2 to 6) months after the end of the reporting period.

(b) The Group has recognised a gain/loss of RM737,005 (2014: RM550,500) arising from fair value changes of derivative during the financial year. The fair value changes were attributed to changes in the foreign exchange spot and forward rates. The method and assumptions applied in determining the fair values of derivatives are disclosed in Note 41.4 to the financial statements.

15. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period bore effective interest rates ranging from 2.20% to 2.53% (2014: 2.04% to 2.50%) per annum and NIL % (2014: 2.20%) per annum respectively. The fixed deposits have maturity period ranging from 1 to 12 months (2014: daily to 12 months) and NIL (2014: daily) for the Group and the Company respectively.

16. SHARE CAPITAL

	The Group And The Company			
	2015 Number of shares	2014 Number of shares	2015 RM	2014 RM
Ordinary shares of RM1.00 each:-				
Authorised	200,000,000	200,000,000	200,000,000	200,000,000
ISSUED AND FULLY PAID-UP	93,305,333	93,305,333	93,305,333	93,305,333

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitles to one vote per ordinary share at meetings of the Company.

17. RESERVES

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Non-distributable reserves				
- Share premium	5,528,136	5,528,136	5,528,136	5,528,136
- Translation reserve	(602,592)	(683,320)	-	-
- Warrants reserve	5,232,757	5,232,757	5,232,757	5,232,757
	10,158,301	10,077,573	10,760,893	10,760,893
Distributable reserve				
- Retained profits	91,414,945	77,378,859	21,849,164	16,658,183
	101,573,246	87,456,432	32,610,057	27,419,076

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

17. RESERVES (CONT'D)

Share premium

The share premium reserve represents the premium paid on subscription of ordinary shares in the Company over and above the par value of the share issued, net of transaction costs (if any). The share premium reserve is not distributable by way of dividends and may be utilised in the manner set out in Section 60(3) of the Companies Act 1965.

Translation reserve

Translation reserve arose from the translation of the financial statements of a foreign subsidiary and the Group's share of a subsidiary's foreign currency translation differences.

Warrants reserve

The warrants reserves arose from the allocation of the proceeds from the issuance of 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 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 2015. As at the end of the reporting date, 23,326,333 Warrants remain unexercised.

18. LONG TERM BORROWINGS

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Hire purchase payables (Note 26)	193,244	2,287,369	-	-
Term loans (Note 27)	6,344,188	8,292,986	2,757,854	4,191,559
	6,537,432	10,580,355	2,757,854	4,191,559

19. RETIREMENT BENEFITS

	The Group	
	2015 RM	2014 RM
At 1 January	391,000	301,000
Addition during the financial year (Note 29)	65,000	90,000
At 31 December	456,000	391,000

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

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

19. RETIREMENT BENEFITS (CONT'D)

Key assumptions used for computing the addition for the year.

	The Group	
	2015	2014
Discount rate	4.8%	3.6%
Annual salary increment per worker	RM91.00	RM78.00

20. DEFERRED TAX LIABILITIES

The Group 2015	At 1.1.2015 RM	Recognised in Profit or Loss (Note 31) RM	At 31.12.2015 RM
Deferred Tax Liabilities			
Accelerated capital allowances	5,849,737	308,508	6,158,245
Unrealised foreign exchange gain	12,400	(168,100)	(155,700)
	5,862,137	140,408	6,002,545
Deferred Tax Assets			
Unabsorbed tax losses	(48,000)	(400)	(48,400)
Other temporary differences	(93,800)	(3,200)	(97,000)
	(141,800)	(3,600)	(145,400)
	5,720,337	136,808	5,857,145

The Group 2014	At 1.1.2014 RM	Recognised in Profit or Loss (Note 31) RM	At 31.12.2014 RM
Deferred Tax Liabilities			
Accelerated capital allowances	5,335,137	514,600	5,849,737
Unrealised foreign exchange gain	-	12,400	12,400
	5,335,137	527,000	5,862,137
Deferred Tax Assets			
Unabsorbed tax losses	(50,000)	2,000	(48,000)
Other temporary differences	(72,200)	(21,600)	(93,800)
	(122,200)	(19,600)	(141,800)
	5,212,937	507,400	5,720,337

The Company 2015	At 1.1.2015 RM	Recognised in Profit or Loss (Note 31) RM	At 31.12.2015 RM
Deferred Tax Liabilities			
Accelerated capital allowances	101,500	(23,500)	78,000

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

20. DEFERRED TAX LIABILITIES (CONT'D)

The Company 2014	At 1.1.2014 RM	Recognised in Profit or Loss (Note 31) RM	At 31.12.2014 RM
Deferred Tax Liabilities			
Accelerated capital allowances	21,200	80,300	101,500

At the end of the reporting period, the Group has unused tax losses and unabsorbed capital allowances (stated at gross) of approximately RM8,985,998 (2014: RM2,226,000) and RM709,000 (2014: RM221,000) respectively that are available for offset against future taxable profits of the subsidiaries in which the losses arose. No deferred tax assets are recognised in respect of this item as it is not probable that taxable profits of the subsidiaries will be available against which the deductible temporary differences can be utilised. The unused tax losses and unabsorbed capital allowances do not expire under current tax legislation. However, the availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to no substantial changes in shareholdings of those subsidiaries under Income Tax Act 1967 and guidelines issued by the tax authority.

21. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 120 days (2014: 30 to 120 days).

22. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Other payables	6,729,875	5,551,042	105,691	243,138
GST payables	57,430	-	-	-
Accrued expenses	6,050,820	3,986,342	462,838	536,367
Deposits received	3,382,485	2,002,494	-	-
	16,220,610	11,539,878	568,529	779,505

23. AMOUNT OWING TO DIRECTORS

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

24. BANK OVERDRAFTS (SECURED)

(a) The bank overdraft of the Group are secured by corporate guarantee from the Company.
(b) The bank overdraft of the Group at the end of the reporting period bore floating interest rates at 7.85% per annum.

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

25. SHORT TERM BORROWINGS

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Bankers' acceptance	3,155,000	-	-	-
Bills payables	546,704	423,823	-	-
Foreign currency trust receipts	88,850,384	49,514,007	-	-
Revolving credit	4,000,849	4,000,219	4,000,849	4,000,219
Hire purchase payables (Note 26)	2,507,100	2,866,276	-	-
Term loans (Note 27)	1,929,341	1,904,346	1,428,000	1,428,000
	100,989,378	58,708,671	5,428,849	5,428,219

Bankers' acceptance, bills payables, foreign currency trust receipts and revolving credit are drawn for period ranging from 4 days to 180 days (2014: 18 to 123 days) and bear interest rates ranging from 1.20% to 4.77% per annum.

Bankers' acceptance, 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 as disclosed in Note 6; and
(ii) corporate guarantees from the Company.

26. HIRE PURCHASE PAYABLES (SECURED)

	The Group	
	2015 RM	2014 RM
Minimum hire purchase payment:		
- not later than 1 year	2,585,990	3,012,610
- later than 1 year and not later than 5 years	205,043	2,474,121
	2,791,033	5,486,731
Less : Future finance charges	(90,689)	(333,086)
Present value of hire purchase payables	2,700,344	5,153,645

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

	The Group	
	2015 RM	2014 RM
Current		
- not later than 1 year (Note 25)	2,507,100	2,866,276
Non-current		
- later than 1 year and not later than 5 years (Note 18)	193,244	2,287,369
	2,700,344	5,153,645

(a) The hire purchase payables of the Group at the end of the reporting period bore effective interest rates from 2.75% to 6.30% (2014: 2.75% to 5.11%) per annum. The interest rate are fixed at the inception of the hire purchase arrangements.

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

27. TERM LOANS

	The Group 2015 RM	The Group 2014 RM	The Company 2015 RM	The Company 2014 RM
Current				
- repayable within 1 year	1,929,341	1,904,346	1,428,000	1,428,000
Non-current				
- repayable between1 and 2 years	1,954,909	1,928,639	1,428,000	1,428,000
- repayable between 2 and 5 years	3,077,367	4,423,947	1,329,854	2,763,559
- repayable more than 5 years	1,311,912	1,940,400	-	-
Total non-current portion	6,344,188	8,292,986	2,757,854	4,191,559
	8,273,529	10,197,332	4,185,854	5,619,559

(a) The term loans are secured by a first party legal charge over the Group's freehold land and buildings and fixed deposits with licensed banks.

(b) The interest rate profile of the term loans is summarised below:-

	Effective Interest Rate %	The Group 2015 RM	The Group 2014 RM	The Company 2015 RM	The Company 2014 RM
Floating rate term loan	4.79 to 5.10	8,273,529	10,197,332	4,185,854	5,619,559

28. REVENUE

	The Group 2015 RM	The Group 2014 RM	The Company 2015 RM	The Company 2014 RM
Sales of goods	417,410,049	316,778,807	-	-
Dividend income	-	-	10,259,072	3,291,815
Management fee income	-	-	380,000	385,000
	417,410,049	316,778,807	10,639,072	3,676,815

29. EMPLOYEE BENEFITS

	The Group 2015 RM	The Group 2014 RM	The Company 2015 RM	The Company 2014 RM
Short term employee benefits	24,291,775	21,936,015	1,152,292	1,087,157
Contribution to a defined contribution plan	1,556,797	1,547,217	89,429	74,931
Addition to a non-contributory unfunded retirement benefit plan (Note 19)	65,000	90,000	-	-
Utilisation of a non-contributory unfunded retirement benefit plan	36,444	-	-	-
	25,950,016	23,573,232	1,241,721	1,162,088

Included in employee benefits is key management personnel compensation as disclosed in Note 36 to the financial statements.

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

30. PROFIT BEFORE TAX

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Profit before tax is arrived at after charging:-				
Audit fee:				
- current financial year	146,000	136,000	25,000	25,000
- under/(over) in the previous financial year	4,000	(1,000)	-	-
Bad debts written off	5,029	-	-	-
Direct operating expenses on investment properties	14,130	12,690	-	-
Impairment loss on trade receivables	447,537	-	-	-
Interest expense:				
- bank borrowings	2,325,927	1,480,255	477,621	562,431
Loss on fair values changes in financial instruments - unrealised	-	550,500	-	-
Loss on foreign exchange - realised (trade)	8,010,540	1,198,107	-	-
Loss on foreign exchange - unrealised (trade)	645,643	1,673,296	-	-
Loss on foreign exchange - unrealised (non-trade)	619,797	-	-	-
Property, plant and equipment written off	211,520	33,628	1,000	-
Rental expenses:				
- premises	806,438	383,874	-	-
- office equipment	7,635	11,115	-	-
- factory equipment	845,227	530,783	-	-
- lorry	273,765	55,203	-	-
- motor vehicle	111,335	148,222	-	-
and after crediting:-				
Dividend income	-	-	10,259,072	3,291,815
Gain on disposal of property, plant and equipment	8,500	-	-	-
Gain on disposal of investment properties	3,311,715	-	-	-
Gain on foreign exchange - realised (non-trade)	3,181	557	-	-
Gain on foreign exchange - realised (trade)	617,534	66,487	-	-
Gain on foreign exchange - unrealised (trade)	2,925,409	409,412	-	-
Gain on fair value changes in financial instrument - unrealised	737,005	-	-	-
Interest income	266,664	422,031	23,398	283,665
Rental income	24,200	120,000	-	-
Reversal of allowance for impairment losses on trade receivables	3,000	98,958	-	-

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

31. INCOME TAX EXPENSE

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Income tax:				
- current year	7,544,000	5,800,100	-	-
- (over)/under provision in the previous financial year	(294,519)	31,932	-	-
	7,249,481	5,832,032	-	-
Deferred tax (Note 20):				
- origination/(reversal) of temporary differences	219,464	550,100	(23,500)	80,300
- effect of change in corporate income tax rate from 25% to 24%	-	(99,000)	-	-
- (over)/under provision in the previous financial year	(82,656)	56,300	-	-
	136,808	507,400	(23,500)	80,300
	7,386,289	6,339,432	(23,500)	80,300

A reconciliations of the income tax expense applicable to the 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	
	2015 RM	2014 RM	2015 RM	2014 RM
Profit before tax	23,047,436	18,358,269	8,433,167	1,882,013
Tax at the statutory tax rate of 25% (2014: 25%)	5,761,859	4,589,567	2,108,292	470,503
Non-taxable income	(809,506)	(942)	(2,564,768)	(822,954)
Non-deductible expenses	661,503	421,064	155,976	169,151
Deferred tax asset not recognised during the financial year	2,216,013	1,373,500	277,000	257,000
Effect of change in corporate income tax rate from 25% to 24% on deferred tax	-	(92,400)	-	6,600
(Over)/Under provision of income tax in the previous financial year	(294,519)	31,932	-	-
(Over)/Under provision of deferred tax in the previous financial year	(82,656)	56,300	-	-
Tax incentive utilised	(66,405)	(39,589)	-	-
Income tax expense for the financial year	7,386,289	6,339,432	(23,500)	80,300

The statutory tax rate will be reduced to 24% from the current financial year's rate of 25%, effective from year of assessment 2016.

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

32. EARNINGS PER SHARE

Basic	The Group 2015 RM	The Group 2014 RM
Net profit attribute to ordinary shareholders	17,301,772	12,978,716
Weighted average number of ordinary shares in issue	93,305,333	93,305,333
Basic earnings per share (Sen)	18.54	13.91

No disclosure on diluted earnings per share as there were no dilutive potential ordinary shares outstanding at the end of the reporting period.

33. DIVIDENDS

	The Group And The Company 2015 RM	The Group And The Company 2014 RM
Single tier final dividend of 2 Sen per ordinary share in respect of the financial year ended 31 December 2013	-	1,866,107
Single tier final dividend of 3.50 Sen per ordinary share in respect of the financial year ended 31 December 2014	3,265,686	-
	3,265,686	1,866,107

At the forthcoming Annual General Meeting, a single tier final dividend of 4 Sen per ordinary share amounting to RM3,732,213 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 2016.

34. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Cost of property, plant and equipment purchased (Note 6)	25,796,298	12,676,542	-	347,340
Amount financed through hire purchase	(150,000)	-	-	-
Amount financed through other payable	(315,000)	-	-	-
Cash disbursed for purchase of property, plant and equipment	25,331,298	12,676,542	-	347,340

Notes To The Financial Statements (Cont'd)
For The Financial Year Ended 31 December 2015

35. CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and comprise the following items:-

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Cash and bank balances	36,897,949	19,445,833	288,753	2,667,647
Fixed deposits with licensed banks	21,125	6,047,905	-	4,010,521
Bank overdrafts	(2,665,427)	-	-	-
	34,253,647	25,493,738	288,753	6,678,168
Less: Bank balance in ESCROW account	(7,225)	-	-	-
	34,246,422	25,493,738	288,753	6,678,168

The bank balance amounted to RM7,225 is earmarked by bank for settlement of borrowings.

36. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company are executive directors and non-executive directors of the Group and of the Company.

(a) The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
Directors	2015 RM	2014 RM	2015 RM	2014 RM
Directors of the Company				
Executive Directors				
Short-term employee benefits:				
- fees	326,000	129,000	56,000	59,000
- salaries and bonuses	2,193,245	2,188,780	316,000	312,000
	2,519,245	2,317,780	372,000	371,000
Defined contribution plan	226,440	219,040	18,960	16,560
Defined benefit retirement plan	100,000	-	-	-
	2,845,685	2,536,820	390,960	387,560
Non-Executive Directors				
- fee	194,000	162,000	194,000	231,500
	3,039,685	2,698,820	584,960	619,060
Directors of the Subsidiaries				
Executive Directors				
Short-term employee benefits:				
- fees	100,000	-	-	-
- salaries and bonuses	1,919,030	1,904,780	-	-
	2,019,030	1,904,780	-	-
Defined contribution plan	124,110	126,360	-	-
	2,143,140	2,031,140	-	-
Non-Executive Directors				
- fee	20,000	89,500	-	-
	2,163,140	2,120,640	-	-
Total Directors' remuneration (Note 29)	5,202,825	4,819,460	584,960	619,060

36. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

(b) The number of the Company's directors with total remuneration derived from the Group falling in bands of RM50,000 are as follows:-

	The Company	
	2015	2014
Non-executive directors		
Below RM50,000	-	3
RM50,001 - RM100,000	3	2
Executive directors		
RM300,001 - RM350,000	-	1
RM450,001 - RM500,000	1	-
RM700,001 - RM750,000	-	1
RM750,001 - RM800,000	1	-
RM1,450,001 - RM1,500,000	-	1
RM1,550,001 - RM1,600,000	1	-

37. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identities of Related Parties

Parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control.

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

(b) Significant Related Party Transactions and Balances

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

	The Company	
	2015 RM	2014 RM
Subsidiaries		
Dividend received/receivable from subsidiaries	10,259,072	3,291,815
Management fees receivable from subsidiaries	380,000	385,000
Company in which a subsidiary's director has substantial financial interest		
Sales of goods	13,013,929	7,627,272
Rental of factory premises paid/payable	16,800	16,800

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the respective notes to the financial statements.

Notes To The Financial Statements (Cont'd)
For The Financial Year Ended 31 December 2015

38. CAPITAL COMMITMENTS

	The Group	
	2015 RM	2014 RM
Authorised and Contracted for		
Purchase of property, plant and equipment	1,898,602	15,152,881
Authorised but not Contracted for		
Purchase of property, plant and equipment	3,291,587	5,310,510

39. CONTINGENT LIABILITIES

No provision is recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:

	The Company	
	2015 RM	2014 RM
Corporate guarantee given to licensed banks for banking facilities granted to subsidiaries	107,770,717	81,687,729
Deed of guarantee given to a customer for products sold by a subsidiary	8,858,430	7,809,302
Deed of guarantee given to suppliers for products sold to subsidiaries	1,223,526	651,184

40. 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 on a quarterly basis.

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.

(a) Each reportable segment assets is measured based on all assets (including goodwill) of the segment other than investments in associates and tax-related assets.

(b) Each reportable segment liabilities is measured based on all liabilities of the segment other than borrowings and tax-related liabilities.

(c) Assets and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters) and head office expenses.

Transfer prices between reportable segments are at arm's length basis in a manner similar to transactions with third parties. The effects of such inter-segment transactions are eliminated on consolidation.

40. OPERATING SEGMENTS (CONT'D)

Business Segments

2015	Investment Holding RM	Tin Manufacturing RM	Food & Beverage RM	Group RM
Revenue				
External revenue	-	86,716,694	330,693,355	417,410,049
Inter-segment revenue	380,000	15,935,002	7,606,937	23,921,939
Dividend income	10,259,072	-	-	10,259,072
Total revenue	10,639,072	102,651,696	338,300,292	451,591,060
Consolidation adjustments				(34,181,011)
Consolidated revenue				417,410,049
Results				
Results before following adjustments	10,733,056	9,421,924	18,942,741	39,097,721
Consolidation adjustments	(10,639,072)	259,219	479,016	(9,900,837)
Finance costs	(477,621)	(481,049)	(1,808,160)	(2,766,830)
Income tax expense	23,500	(1,131,546)	(6,278,243)	(7,386,289)
	(360,137)	8,068,548	11,335,354	19,043,765
Depreciation of property, plant and equipment	(92,984)	(4,783,648)	(2,710,001)	(7,586,633)
Depreciation of investment properties	-	(13,833)	-	(13,833)
Other material items of income (Note a)	23,398	3,714,478	4,156,151	7,894,027
Other non-cash expenses (Note b)	(1,000)	(777,341)	(1,146,156)	(1,924,497)
Segment results	(430,723)	6,208,204	11,635,348	17,412,829
Unallocated expenses				(1,751,682)
Consolidated profit after tax				15,661,147
Assets				
Segment assets	135,066,168	141,485,706	266,660,452	543,212,326
Consolidation adjustments				(176,576,664)
				366,635,662
Unallocated assets				312,004
Consolidated total assets				366,947,666
Liabilities				
Segment liabilities	9,462,782	27,312,968	191,471,023	228,246,773
Consolidation adjustments				(53,704,721)
Consolidated total liabilities				174,542,052
Other Segment Item				
Additions to non-current assets other than financial instruments :-				
- property, plant and equipment	-	1,061,800	24,734,498	25,796,298

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

40. OPERATING SEGMENTS (CONT'D)

Business Segments (Cont'd)

2014	Investment Holding RM	Tin Manufacturing RM	Food & Beverage RM	Group RM
Revenue				
External revenue	-	88,874,255	227,904,552	316,778,807
Inter-segment revenue	385,000	16,121,439	8,820,475	25,326,914
Dividend income	3,291,815	-	-	3,291,815
Total revenue	3,676,815	104,995,694	236,725,027	345,397,536
Consolidation adjustments				(28,618,729)
Consolidated revenue				316,778,807
Results				
Results before following adjustments	3,702,642	16,497,163	12,075,226	32,275,031
Consolidation adjustments	(3,676,815)	577,942	668,013	(2,430,860)
Finance costs	(562,431)	(425,011)	(674,317)	(1,661,759)
Income tax expense	(80,300)	(3,298,881)	(2,960,251)	(6,339,432)
	(616,904)	13,351,213	9,108,671	21,842,980
Depreciation of property, plant and equipment	(29,827)	(4,491,264)	(2,601,022)	(7,122,113)
Depreciation of investment properties	-	(16,599)	-	(16,599)
Other material items of income (Note a)	283,665	252,871	513,865	1,050,401
Other non-cash expenses (Note b)	-	-	(2,223,796)	(2,223,796)
Segment results	(363,066)	9,096,221	4,797,718	13,530,873
Unallocated expenses				(1,512,036)
Consolidated profit after tax				12,018,837
Assets				
Segment assets	135,564,093	149,448,024	206,496,778	491,508,895
Consolidation adjustments				(162,738,727)
				328,770,168
Unallocated assets				405,988
Consolidated total assets				329,176,156
Liabilities				
Segment liabilities	15,245,672	33,883,678	145,482,426	194,611,776
Consolidation adjustments				(45,365,045)
Consolidated total liabilities				149,246,731
Other Segment Item				
Additions to non-current assets other than financial instruments :-				
- property, plant and equipment	347,340	4,822,368	7,506,834	12,676,542

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

40. OPERATING SEGMENTS (CONT'D)

Business Segments (Cont'd)

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

	The Group	
	2015 RM	2014 RM
Gain on disposal of property, plant and equipment	8,500	-
Gain on disposal of investment properties	3,311,715	-
Gain on foreign currency - realised (trade)	617,534	-
Gain on foreign currency - unrealised (trade)	2,925,409	409,412
Gain on fair value changes in financial instruments	737,005	-
Interest income	266,664	422,031
Rental income	24,200	120,000
Reversal of allowance for impairment losses on trade receivables	3,000	98,958
	7,894,027	1,050,401

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

	The Group	
	2015 RM	2014 RM
Allowance for impairment losses on trade receivables	447,537	-
Loss on foreign currency - unrealised (non-trade)	619,797	-
Loss on foreign currency - unrealised (trade)	645,643	1,673,296
Loss on fair value changes in financial instruments	-	550,500
Property, plant and equipment written off	211,520	-
	1,924,497	2,223,796

Geographical Information

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments.

	Revenue		Non-Current Assets	
	2015 RM	2014 RM	2015 RM	2014 RM
Africa	44,154,073	74,945,703	-	-
Asia	173,895,147	101,055,648	-	-
Central America	26,614,670	40,844,316	-	-
Malaysia	150,359,928	90,155,161	110,892,896	94,516,218
Others	22,386,229	9,777,979	-	-
	417,410,049	316,778,807	110,892,896	94,516,218

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

40. OPERATING SEGMENTS (CONT'D)

Business Segments (Cont'd)

Major Customers

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

	Revenue		Segments
	2015 RM	2014 RM	
Customer #1	-	40,390,836	Food and beverage
Customer #2	81,465,945	-	Food and beverage

41. FINANCIAL INSTRUMENTS

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

41.1 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 the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Singapore Dollar ("SGD") and Euro ("EUR"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group maintains 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 also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

The Group's exposure to foreign currency risk (a currency which is other than the functional currencies of the entities within the Group) that are based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

41. FINANCIAL INSTRUMENTS (CONT'D)

41.1 Financial Risk Management Policies (Cont'd)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure

The Group 2015	USD RM	SGD RM	EUR RM
Financial Assets			
Trade receivables	52,446,296	3,391,179	-
Other receivables and deposits	1,093,695	-	-
Cash and bank balances	18,763,922	5,023,041	450,191
	72,303,913	8,414,220	450,191
Financial liabilities			
Trade payables	16,450,168	69,848	-
Other payables and accruals	1,620,819	42,229	-
Bank borrowings	78,647,076	2,400,112	-
	96,718,063	2,512,189	-
Currency Exposure	(24,414,150)	5,902,031	450,191

The Group 2014	USD RM	SGD RM	EUR RM
Financial Assets			
Trade receivables	45,155,818	4,253,139	-
Other receivables and deposits	741,378	13,022	-
Cash and bank balances	5,075,665	3,961,696	20,329
	50,972,861	8,227,857	20,329
Financial liabilities			
Trade payables	41,359,085	120,121	-
Other payables and accruals	1,611,558	58,977	-
Bank borrowings	49,872,177	4,773,760	-
	92,842,820	4,952,858	-
Currency Exposure	(41,869,959)	3,274,999	20,329

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

41. FINANCIAL INSTRUMENTS (CONT'D)

41.1 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	
	2015	2014
	RM	RM
Effects On Profit After Tax		
USD/RM		
- strengthened by 27% (2014: 11%)	(4,943,865)	(3,454,272)
- weakened by 27% (2014: 11%)	4,943,865	3,454,272
SGD/RM		
- strengthened by 18% (2014:6%)	796,774	147,375
- weakened by 18% (2014: 6%)	(796,774)	(147,375)
EUR/RM		
- strengthened by 27% (2014: 10%)	91,164	1,525
- weakened by 27% (2014: 10%)	(91,164)	(1,525)

	The Company	
	2015	2014
	RM	RM
Effects On Equity		
IDR/RM		
- strengthened by 17% (2014: 9%)	129,484	65,600
- weakened by 17% (2014: 9%)	(129,484)	(65,600)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio of mix of fixed and floating rate borrowings.

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

41. FINANCIAL INSTRUMENTS (CONT'D)

41.1 Financial Risk Management Policies (Cont'd)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Interest Rate Risk Sensitivity Analysis

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

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Effects On Profit After Tax				
Increase of 25 (2014: 25) basis points	(20,821)	(105,112)	(7,848)	(3,017)
Decrease of 25 (2014: 25) basis points	20,821	105,112	7,848	3,017

(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 uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due or more than 120 days, which are deemed to have higher credit risk, are monitored individually.

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. Impairment is estimated by management based on prior experience and the current economic environment.

The Company provides financial guarantee to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the results of these subsidiaries regularly and repayments made by the subsidiaries.

(i) Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by 1 (2014: 2) major customer which constituted approximately 15% (2014: 27%) of its trade receivables as at the end of the reporting period.

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

41. FINANCIAL INSTRUMENTS (CONT'D)

41.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(i) Credit risk concentration profile (Cont'd)

In addition, the Group also determines concentration of credit risk by monitoring the geographical region of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables (including related parties) at the end of the reporting period is as follows:-

	The Group	
	2015	2014
	RM	RM
Africa	17,832,152	19,001,860
Asia	21,238,494	13,390,219
Central America	8,997,045	11,755,152
Europe	191,018	451,590
Singapore	3,413,632	3,903,353
Malaysia	29,957,504	24,883,052
Middle east	243,555	190,855
	81,873,400	73,576,081

(ii) Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

(iii) Ageing analysis

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

	Gross Amount RM	Individual Impairment RM	Carrying Value RM
2015			
Not past due	52,470,027	-	52,470,027
Past due:			
- less than 3 months	25,818,627	-	25,818,627
- 3 to 6 months	1,816,740	(53,354)	1,763,386
- over 6 months	415,750	(126,809)	288,941
- more than 1 year	4,556,579	(3,024,160)	1,532,419
	85,077,723	(3,204,323)	81,873,400
2014			
Not past due	52,478,271	-	52,478,271
Past due:			
- less than 3 months	18,415,715	-	18,415,715
- 3 to 6 months	2,097,137	-	2,097,137
- over 6 months	550,409	-	550,409
- more than 1 year	3,016,861	(2,982,312)	34,549
	76,558,393	(2,982,312)	73,576,081

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

41. FINANCIAL INSTRUMENTS (CONT'D)

41.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Ageing analysis (Cont'd)

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

The Group believes that no additional impairment allowance is necessary in respect of these trade receivables that are past due but not impaired because they are companies with good collection track record and no recent history of default.

(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.

Maturity Analysis

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

The Group 2015	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
Non-derivative Financial Liabilities						
Trade payables		38,086,603	38,086,603	38,086,603	-	-
Other payables and accruals		16,163,180	16,163,180	16,163,180	-	-
Amount owing to directors		1,187,107	1,187,107	1,187,107	-	-
Hire purchase payables	2.75 to 6.03	2,700,344	2,791,033	2,585,990	205,043	-
Term loans	4.79 to 5.10	8,273,529	9,669,144	2,338,314	5,792,904	1,537,926
Bankers' acceptance	3.88 to 4.31	3,155,000	3,155,000	3,155,000	-	-
Bank overdrafts	7.85	2,665,427	2,665,427	2,665,427	-	-
Bills payables	1.20	546,704	546,704	546,704	-	-
Foreign currency trust receipts	1.58 to 2.77	88,850,384	88,850,384	88,850,384	-	-
Revolving credit	4.77	4,000,849	4,000,849	4,000,849	-	-
		165,629,127	167,115,431	159,579,558	5,997,947	1,537,926

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

41. FINANCIAL INSTRUMENTS (CONT'D)

41.1 Financial Risk Management Policies (Cont'd)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The Group 2014	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
Non-derivative Financial Liabilities						
Trade payables		59,539,146	59,539,146	59,539,146	-	-
Other payables and accruals		11,539,878	11,539,878	11,539,878	-	-
Amount owing to directors		688,830	688,830	688,830	-	-
Hire purchase payables	2.75 to 5.11	5,153,645	5,486,731	3,012,610	2,474,121	-
Term loans	4.78 to 4.85	10,197,332	12,081,267	2,406,427	7,427,102	2,247,738
Bills payables	1.20	423,823	423,823	423,823	-	-
Foreign currency trust receipts	1.58 to 2.77	49,514,007	49,514,007	49,514,007	-	-
Revolving credit	4.77	4,000,219	4,000,219	4,000,219	-	-
		141,056,880	143,273,901	131,124,940	9,901,223	2,247,738
Derivative Financial Liabilities						
Forward foreign currency contract (gross settled)						
- gross receipts		716,505	12,745,020	12,745,020	-	-
- gross payments			(13,461,525)	(13,461,525)	-	-
		141,773,385	142,557,396	130,408,435	9,901,223	2,247,738

The Company 2015	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
Other payables and accruals		568,529	568,529	568,529	-
Amount owing to subsidiaries		629,550	629,550	629,550	-
Term loan	4.79	4,185,854	4,582,158	1,628,502	2,953,656
Revolving credit	4.77	4,000,849	4,000,849	4,000,849	-
		9,384,782	9,781,086	6,827,430	2,953,656

The Company 2014	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
Other payables and accruals		779,505	779,505	779,505	-
Amount owing to subsidiaries		4,744,889	4,744,889	4,744,889	-
Term loan	4.78	5,619,559	6,284,469	1,696,615	4,587,854
Revolving credit	4.77	4,000,219	4,000,219	4,000,219	-
		15,144,172	15,809,082	11,221,228	4,587,854

41. FINANCIAL INSTRUMENTS (CONT'D)

41.2 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 net debt divided by total equity. The Group includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interest. The debt-to-equity ratio of the Group at the end of the reporting period was as follows:-

	The Group	
	2015 RM	2014 RM
Hire purchase payables (Note 26)	2,700,344	5,153,645
Term loans (Note 27)	8,273,529	10,197,332
Bankers' acceptance (Note 25)	3,155,000	-
Bill payables (Note 25)	546,704	423,823
Foreign currency trust receipts (Note 25)	88,850,384	49,514,007
Revolving credit (Note 25)	4,000,849	4,000,219
Bank overdrafts (Note 24)	2,665,427	-
	110,192,237	69,289,026
Less: Fixed deposits with licensed banks (Note 15)	(21,125)	(6,047,905)
Less: Cash and bank balances	(36,897,949)	(19,445,833)
Net debt	73,273,163	43,795,288
Total equity	192,405,614	179,929,425
Debt-to-equity ratio	38%	24%

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

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) more than 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.

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

41. FINANCIAL INSTRUMENTS (CONT'D)

41.3 Classification of Financial Instruments

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Financial Assets				
Loans and Receivables Financial Assets				
Trade receivables (Note 11)	81,873,400	73,576,081	-	-
Other receivables and deposits (Note 12)	1,620,032	3,391,452	-	-
Amount owing by subsidiaries (Note 13)	-	-	990,000	385,000
Fixed deposits with licensed banks (Note 15)	21,125	6,047,905	-	4,010,521
Cash and bank balances	36,897,949	19,445,833	288,753	2,667,647
	120,412,506	102,461,271	1,278,753	7,063,168
Available-for-sale Financial Assets				
Other investment (Note 9)	16,500	16,500	-	-
Fair Value through Profit or Loss				
Derivative assets (Note 14)	20,500	-	-	-
Financial Liabilities				
Other Financial Liabilities				
Trade payables (Note 21)	38,086,603	59,539,146	-	-
Other payables and accruals (Note 22)	16,163,180	11,539,878	568,529	779,505
Amount owing to subsidiaries (Note 13)	-	-	629,550	4,744,889
Amount owing to directors (Note 23)	1,187,107	688,830	-	-
Bank overdrafts (Note 24)	2,665,427	-	-	-
Borrowings				
- long term (Note 18)	6,537,432	10,580,355	2,757,854	4,191,559
- short term (Note 25)	100,989,378	58,708,671	5,428,849	5,428,219
	165,629,127	141,056,880	9,384,782	15,144,172
Fair Value through Profit and Loss				
Derivative liabilities (Note 14)	-	716,505	-	-

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

41. FINANCIAL INSTRUMENTS (CONT'D)

41.4 Fair Value Information

The fair values of the financial assets and financial liabilities of the Group and of the Company maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	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		
	RM	RM	RM	RM	RM	RM	RM	RM
The Group								
2015								
Financial Liabilities								
Hire purchase payables	-	-	-	-	2,739,453	-	2,739,453	2,700,344
Term loans	-	8,273,529	-	-	-	-	8,273,529	8,273,529
2014								
Financial Liabilities								
Derivative liabilities								
- Forward foreign currency contract	-	716,505	-	-	-	-	716,505	716,505
Hire purchase payables	-	-	-	-	5,173,302	-	5,173,302	5,153,645
Term loans	-	10,197,332	-	-	-	-	10,197,332	10,197,332
The Company								
2015								
Financial Liability								
Term loan	-	4,185,854	-	-	-	-	4,185,854	4,185,854
2014								
Financial Liability								
Term loan	-	5,619,559	-	-	-	-	5,619,559	5,619,559

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

41. FINANCIAL INSTRUMENTS (CONT'D)

41.4 Fair Value Information (Cont'd)

(a) Fair Value of Financial Instruments Carried at Fair Value

(i) The fair values above have been determined using the following basis:-

(a) The fair values of forward foreign currency contracts are determined by discounting the difference between the contractual forward prices and the current forward prices for the residual maturity of the contract using a risk-free interest rate (government bonds).

(b) The fair values of term loans are determined by discounting the relevant cash flows using discount rate that reflects the respective entities' borrowing rate at the end of the reporting period.

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

(b) Fair Value of Financial Instruments not Carried at Fair Value

The fair values of hire purchase payables are determined by discounting the relevant cash flows using current market 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	
	2015	2014	2015	2014
	%	%	%	%
Hire purchase payables	2.75 to 3.80	2.75 to 4.60	-	-

Notes To The Financial Statements (Cont'd)

For The Financial Year Ended 31 December 2015

42. SUPPLEMENTARY INFORMATION - DISCLOSURE OF REALISED AND UNREALISED PROFITS/(LOSSES)

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

	The Group		The Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Total retained profits/(accumulated losses) of the Company and its subsidiaries				
- realised	95,612,121	83,967,103	21,927,164	16,759,683
- unrealised	(4,197,176)	(6,588,244)	(78,000)	(101,500)
At 31 December	91,414,945	77,378,859	21,849,164	16,658,183

Statement by Directors

PURSUANT TO SECTION 169 (15) OF THE COMPANIES ACT 1965

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 42 to 94 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2015 and of their financial performance and cash flows for the financial year ended on that date.

The supplementary information set out in Note 42, 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 11 April 2016

EDWARD GOH SWEE WANG

YEOW AH SENG @ YOW AH SENG

Statutory Declaration

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

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 42 to 94 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 11 April 2016

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 2015 (RM)
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	12	457,466/ 248,533	16,366,228
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 Langat, Selangor Darul Ehsan.	Single-storey detached factory/ Industry	Freehold	9	175,602/ 106,931	8,930,336
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	30	21,775/ 16,843	352,591
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	20	5,294/ 3,635	275,321
ABD/ 27.12.2012	GM 2483, Lot 2263, Mukim Teluk Panglima Garang, Kuala Langat, Selangor Darul Ehsan/ Lot 2263, Jalan Helang, Off Jalan Kebun Baru, Batu 9, Jalan Klang-Banting, Teluk Panglima Garang, 42500 Kuala Langat, Selangor Darul Ehsan.	Single-storey detached factory with a double-storey office annexed/ Industry	Freehold	In-progress	176,099/ 88,082	30,185,071

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

Analysis of Shareholdings
As At 31 MARCH 2016

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	:	1,736

DISTRIBUTION OF SHAREHOLDINGS

	(Malaysia and Foreign - Combined)			
Size of Holdings	No. of Holders	% of Holders	No. of Shares	% of Shares
Less than 100	37	2.131	1,221	0.001
101 to 1,000	229	13.191	157,544	0.169
1,001 to 10,000	1,041	59.966	4,937,828	5.292
10,001 to 100,000	353	20.334	10,471,100	11.222
100,001 to 4,665,265 (*)	72	4.148	43,914,779	47.066
4,665,266 and above (**)	4	0.230	33,822,861	36.250
TOTAL	1,736	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	GOH MIA KWONG	8,767,224	9.396
2	RHB CAPITAL NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM HUN SWEE (CEB)	7,671,200	8.222
3	CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR STANDARD CHARTERED BANK SINGAPORE BRANCH (SG PVB CL AC)	7,608,900	8.155
4	EDWARD GOH SWEE WANG	5,217,876	5.592
5	GOH MIA KWONG	4,000,000	4.287
6	ALLIANCEGROUP NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM HUN SWEE (8108460)	3,435,000	3.681
7	GENTING PERWIRA SDN BHD	3,308,740	3.546
8	AMSEC NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR CHUA TAI BOON (CAI DAWEN) (SMART)	2,603,630	2.790
9	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	2,356,933	2.526
10	KUA JIN GUANG @ KAU KAM ENG	2,307,333	2.473
11	AMSEC NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR NG KENG HOE (HUANG QINGHE) (SMART)	2,000,000	2.144

Analysis of Shareholdings (Cont'd)

As At 31 MARCH 2016

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

No.	Name of Shareholders	No. of Shares	% of Shares
12	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR YEOW AH SENG @ YOW AH SENG (SMART)	1,772,666	1.900
13	HLB NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM HUN SWEE	1,753,800	1.880
14	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG YIK TOON @ NG YIK KOON (CEB)	1,546,100	1.657
15	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG GROWTH FUND	1,530,500	1.640
16	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG PENNY STOCKFUND	1,510,600	1.619
17	LOCK TOH PENG	1,470,000	1.575
18	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOON YEW YIN (6000051)	1,414,000	1.516
19	VERSALITE SDN BHD	1,160,000	1.243
20	SIA YOCK HUA	1,027,825	1.102
21	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR GENTING PERWIRA SDN BHD	1,010,000	1.082
22	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KIT PHENG	785,800	0.842
23	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG YIK TOON @ NG YIK KOON (6000031)	753,000	0.807
24	LAI SHIN LIN	746,666	0.800
25	TEE SIEW KAI	651,000	0.698
26	GOH MIA KWONG	557,661	0.598
27	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FONG SILING (CEB)	530,000	0.568
28	KHOO YOK KEE	484,900	0.520
29	TAN BOON KAIT	408,056	0.437
30	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOON YEW YIN (002)	372,100	0.399
	TOTAL	68,761,510	73.695

Analysis of Shareholdings (Cont'd)

As At 31 MARCH 2016

LIST OF SUBSTANTIAL SHAREHOLDERS

		Direct Interest		Deemed Interest	
No.	Name of Shareholders	No. of Shares	% of Shares	No. of Shares	% of Shares
1	GOH MIA KWONG	13,324,885	14.28	5,363,876	5.75
2	LIM HUN SWEE	13,215,000	14.16	-	-
3	NG KENG HOE	9,608,900	10.30	746,666	0.80
4	EDWARD GOH SWEE WANG	5,217,876	5.59	13,470,885	14.44

LIST OF DIRECTORS' SHAREHOLDINGS

		Direct Interest		Deemed Interest	
No.	Name of Directors	No. of Shares	% of Shares	No. of Shares	% of Shares
1	DATUK KAMALUDIN BIN YUSOFF	147,300	0.16	4,378,040	4.69
2	EDWARD GOH SWEE WANG	5,217,876	5.59	13,470,885	14.44
3	YEOW AH SENG @ YOW AH SENG	1,978,666	2.12	-	-
4	LIM HUN SWEE	13,215,000	14.16	-	-
5	SIAH CHIN LEONG	1,000	0.00	-	-
6	NG LEE THIN	-	-	-	-

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

Analysis of Warrant Holdings

As At 31 MARCH 2016

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	30	2.760	1,756	0.008
101 to 1,000	139	12.787	92,959	0.399
1,001 to 10,000	491	45.170	3,054,110	13.093
10,001 to 100,000	392	36.063	12,280,947	52.648
100,001 to 1,166,315 (*)	34	3.128	6,230,561	26.710
1,166,316 and above (**)	1	0.092	1,666,000	7.142
TOTAL	1,087	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	AMSEC NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR NG KENG HOE (HUANG QINGHE) (SMART)	1,666,000	7.142
2	YAP KEAN TECK	391,700	1.679
3	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GENTING PERWIRA SDN BHD A/C 2 (009)	300,060	1.286
4	VERSALITE SDN BHD	290,000	1.243
5	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOKE SEE OOI (CEB)	286,000	1.226
6	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SOH TONG HWA (STF)	280,000	1.200
7	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR EDWARD GOH SWEE WANG (SMART)	278,469	1.194
8	AMSEC NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR CHUA TAI BOON (CAI DAWEN) (SMART)	260,132	1.115
9	WONG NGA YANG	251,000	1.076
10	CHEAH KEA KENG	250,000	1.072

Analysis of Warrant Holdings (Cont'd)
As At 31 MARCH 2016

LIST OF THIRTY (30) LARGEST WARRANT HOLDERS (CONT'D)

No.	Name of Warrant Holders	No. of Warrants	% of Warrants
11	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - FOR CHANG SOKE HUN (E-BBB/RLU)	240,000	1.029
12	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - CHANG SOKE HUN (E-BBB/RLU)	232,000	0.995
13	CHIEW HOK SEANG	207,900	0.891
14	GERARD CHEN WOON MING	200,000	0.857
15	MOHD SHAMSHUL BIN OTHMAN	195,000	0.836
16	NOORULINTAN BINTI MOHAMED RIDZUWAN	170,000	0.729
17	FAISAL BIN HAJI JAAFAR	154,000	0.660
18	LIM BEE YEN @ NG BEE YEN	153,000	0.656
19	EOW KHENG IT	150,000	0.643
20	MAYBANK NOMINEES (TEMPATAN) SDN BHD TEO SANG ZEN	145,700	0.625
21	PUBLIC INVEST NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENTS)	125,700	0.539
22	TEY YEE YEE	125,000	0.536
23	WONG YON YAM	125,000	0.536
24	PANG JOKE KENG	124,400	0.533
25	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW TECK PENG	122,000	0.523
26	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM LEE PENG (8059245)	117,000	0.502
27	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIA NGO HIN (E-LBG)	115,000	0.493
28	LIM TING WEE	113,000	0.484
29	ANG POON HENG	111,300	0.477
30	LEE CHEE ING	110,000	0.472
	TOTAL	7,289,361	31.249

LIST OF DIRECTORS' WARRANT HOLDINGS

		Direct Interest		Deemed Interest	
No.	Name of Directors	No. of Shares	% of Shares	No. of Shares	% of Shares
1	DATUK KAMALUDIN BIN YUSOFF	-	-	300,060	1.29
2	EDWARD GOH SWEE WANG	278,469	1.19	20,065	0.09
3	YEOW AH SENG @ YOW AH SENG	-	-	-	-
4	LIM HUN SWEE	-	-	-	-
5	SIAH CHIN LEONG	-	-	-	-
6	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 Fifteenth 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 Monday, 30 May 2016 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 2015 and the Reports of the Directors and Auditors thereon.	**(Please refer Explanatory Note 1)**
2. To declare a Single Tier Final Dividend of 4 sen for the financial year ended 31 December 2015.	**(Resolution 1)**
3. To approve the payment of Directors' fees of RM250,000.00 for the financial year ended 31 December 2015.	**(Resolution 2)**
4. To re-elect the following Directors who retire by rotation pursuant to Article 120 of the Company's Articles of Association:	
(a) Mr. Yeow Ah Seng @ Yow Ah Seng	**(Resolution 3)**
(b) Mr. Lim Hun Swee	**(Resolution 4)**
5. To re-appoint Messrs Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration.	**(Resolution 5)**

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

6. **ORDINARY RESOLUTION**
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." **(Resolution 6)**

7. **SPECIAL RESOLUTION**
PROPOSED AMENDMENTS TO THE COMPANY'S ARTICLES OF ASSOCIATION

"THAT the proposed amendments to the Articles of Association of the Company as set out in Appendix 1 be and hereby approved. **(Resolution 7)**

AND THAT the Directors and Secretary of the Company be and are hereby authorised to take all steps as are necessary and expedient in order to implement, finalise and give full effect to the Proposed Amendments to the Company's Articles of Association."

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

Notice of Annual General Meeting (Cont'd)

NOTICE OF ENTITLEMENT AND DIVIDEND PAYMENT DATES

NOTICE IS ALSO HEREBY GIVEN THAT the proposed Single Tier Final Dividend of 4 sen per ordinary share in respect of the financial year ended 31 December 2015, if approved, will be paid on 29 July 2016 to depositors registered in the Record of Depositors at the close of business on 1 July 2016.

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 1 July 2016 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
29 April 2016

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 20 May 2016 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.

Notice of Annual General Meeting (Cont'd)

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 6 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 6 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 29 June 2015. 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.

3. **Item 7 of the Agenda**
   SPECIAL RESOLUTION
   PROPOSED AMENDMENTS TO THE COMPANY'S ARTICLES OF ASSOCIATION
   The Proposed Amendments are to streamline the Company's Articles of Association to be aligned with the Companies Act, 1965 and amendments to the Main Market Listing Requirements.

APPENDIX 1:-

Article No.	Existing Article	Amended Article
To amend Article 154 (a) and (b)	(a) The Directors shall from time to time in accordance with Section 169 of the Act cause to be prepared and laid before the Company in general meeting such profit and loss account, balance sheet and reports as are referred to in that Section provided always that the interval between the close of financial year of the Company and the issue of accounts relating to it shall not exceed four (4) months; and (b) A copy of every balance sheet and profit and loss account which is to be laid before the Company in general meeting (including every document required by law to be annexed thereto) and of the Directors' report shall not more than six (6) months after the close of the financial year and not less than fourteen (14) days before the date of the meeting be sent to every Member and every holder of debentures of the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Act or of these Articles PROVIDED THAT this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one (1) or joint holders' of any shares or debentures, but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application to the Office.	(a) The Directors shall from time to time in accordance with Section 169 of the Act **and the Listing Requirements,** cause to be prepared and laid before the Company in general meeting such profit and loss account, balance sheet and reports as are referred to in that Section **and the Listing Requirements.** ~~provided always that the interval between the close of financial year of the Company and the issue of accounts relating to it shall not exceed four (4) months; and~~ (b) A copy of **the annual report including annual audited financial statements together with the auditors' and the directors' reports in printed format or in CD-ROM or DVD-ROM format of such other electronic format within four (4) months** ~~every balance sheet and profit and loss account which is to be laid before the Company in general meeting (including every document required by law to be annexed thereto) and of the Directors' report shall not more than six (6) months~~ after the close of the financial year ~~and not less than fourteen (14) days before the date of the meeting~~ be sent to **the Exchange,** every Member and every holder of debentures of the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Act or of these Articles. **This** Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one (1) or joint holders' of any shares or debentures, but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application to the Office. **In the event that the annual report is send in CD-ROM or DVD-ROM format or such other electronic format and a Member requires a printed format of such documents, the Company shall send such documents to the Members within four (4) market days from the date of receipt of the Members' request.**

Notice of Annual General Meeting (Cont'd)

Article No.	Existing Article	Amended Article
To amend Article 72 (a)	Fourteen (14) clear days' notice shall be given in the case of the annual general meeting or twenty-one (21) clear days' notice where it is proposed to pass a special resolution (subject to Article 76) seven (7) clear days' notice shall (unless the meeting otherwise resolved) be given of an adjourned general meeting and fourteen (14) clear days' notice of any other general meeting. The notice in each case shall specify the place, day and hour of the meeting and, in case of a meeting called to consider special business, the notice shall in addition specify the general nature of such business and shall also be accompanied by an explanatory statement regarding the effect of any proposed resolution in respect of such business. At least 14 days' notice or 21 days' notice in the case where any special resolution is proposed or where it is the general meeting, of every such meeting shall be given to the Members by notice sent by post or otherwise served as hereinafter provided or under the Act, and by advertisement in the daily press and in writing to the Exchange, such that notices of all meetings shall be given to the Exchange and advertised in the press at the same time as shareholders are notified.	**Subject to the provisions of the Act, the notice convening meetings shall specify the place, the day and the hour of the meeting, and shall be given all members at least (14) days before the meeting or at least twenty-one (21) days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. At least fourteen (14) days' notice or twenty one (21) days' notice in the case where any special resolution is proposed or where it is the annual general meeting, of every such meeting must be given by advertisement in at least one(1) nationally circulated Bahasa Malaysia or English daily newspaper and in writing to each stock exchange upon which the Company is listed.**
To delete Article 73 (b)	Notwithstanding the foregoing, at least fourteen (14) days' notice of every general meeting shall be given by advertisement in the daily press and in writing to the Exchange, after the Shares are listed.	**Deleted.**

Statement Accompanying Notice of Annual General Meeting

1. Directors who are standing for re-election at the Fifteenth Annual General Meeting of Johore Tin Berhad ("The Company"):

   (i) Under Article 120 of the Company's Articles of Association:

   - Mr. Yeow Ah Seng @ Yow Ah Seng
   - Mr. Lim Hun Swee

2. Further details of Directors standing for re-election are set out in the Directors' Profile appearing on pages 11 to 13 of this Annual Report.

3. Particulars of Directors' shareholdings are set out on page 100 of this Annual Report.

FORM OF PROXY

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 15th 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 Monday, 30 May 2016 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 2015 and the Reports of the Directors and Auditors thereon.				
Ordinary Business			**Resolution**	***FOR**	***AGAINST**
2.	To declare a Single Tier Final Dividend of 4 sen for the financial year ended 31 December 2015.		1		
3.	To approve the payment of Directors' fee of RM250,000 for the financial year ended 31 December 2015.		2		
4.	To re-elect the following Directors who retire by rotation pursuant to Article 120 of the Company's Articles of Association:				
	(a)	Mr. Yeow Ah Seng @ Yow Ah Seng	3		
	(b)	Mr. Lim Hun Swee	4		
5.	To re-appoint Messrs Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration.		5		
Special Business:					
6.	Authority to Directors to issue and allot shares pursuant to Section 132D of the Companies Act, 1965.		6		
7.	Proposed Amendments to the Company's Articles of Association.		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 __________ 2016.

____

Signature/Common Seal of Shareholder

Number of shares held	
CDS Account No.	

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 20 May 2016 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.

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**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

www.johoretin.com.my

JOHORE TIN BERHAD (532570-V)

Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor, Malaysia.
Tel: +60(7) 335 4988 Fax: +60(7) 335 4977