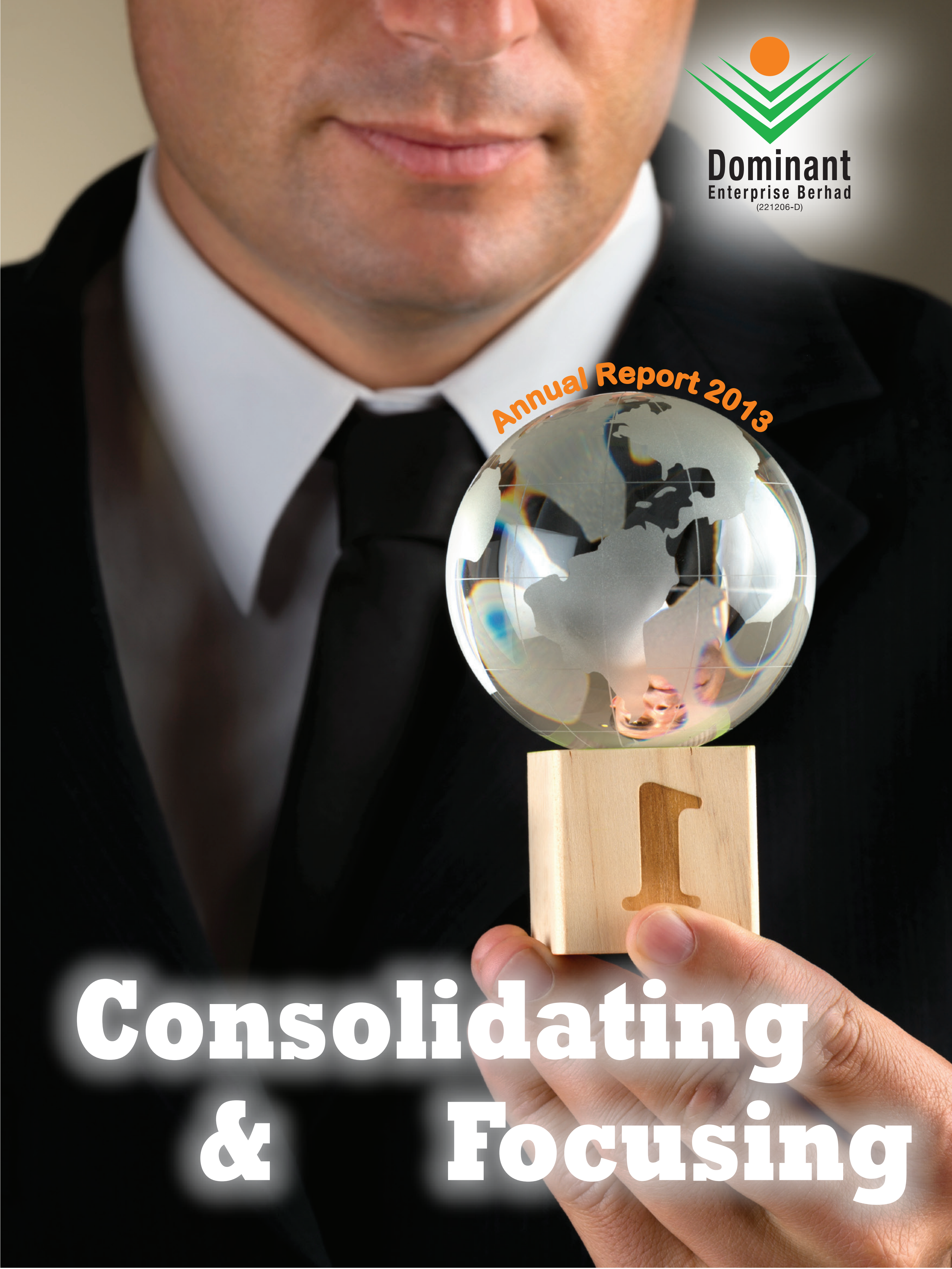
Dominant
Enterprise Berhad
(221206-D)



Annual Report 2013

Consolidating & Focusing

Dominant
Enterprise Berhad

CONTENTS

NOTICE
OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-First Annual General Meeting of DOMINANT ENTERPRISE BERHAD will be held at Grand Paragon Hotel, Sapphire 3 Hall, Level 4, No. 18, Jalan Harimau, Taman Century, 80250 Johor Bahru, Johor Darul Takzim on Monday, 23 September 2013 at 10.00 a.m. for the following purposes:-

		Resolution on Proxy Form
	ORDINARY BUSINESS	
1.	To receive the Audited Financial Statements for the financial year ended 31 March 2013 and the Reports of the Directors and Auditors thereon.	Please refer to Explanatory Note 1
2.	To approve a Single Tier Final Dividend of 1 sen per share in respect of the financial year ended 31 March 2013.	Resolution 1
3.	To approve the payment of Directors' fees of RM196,000 in respect of the financial year ended 31 March 2013.	Resolution 2
4.	To re-elect the following Directors who retire pursuant to Article 84 of the Company's Articles of Association :-	
	a. Mr. Cha Aku Wai @ Sia Ah Kow	Resolution 3
	b. Mr. Tan Meng Poo	Resolution 4
	c. Mr. Johnson Kandasamy A/L David Nagappan	Resolution 5
5.	To re-appoint Messrs. BDO as Auditors of the Company and to authorise the Directors to fix their remuneration.	Resolution 6

SPECIAL BUSINESS

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

6. **ORDINARY RESOLUTION 1:**
CONTINUING IN OFFICE AS INDEPENDENT DIRECTORS

a. MR. TAN MENG POO — Resolution 7

"THAT subject to passing of the resolution 4, authority be and is hereby given to Mr. Tan Meng Poo who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company."

b. MR. JOHNSON KANDASAMY A/L DAVID NAGAPPAN — Resolution 8

"THAT subject to passing of the resolution 5, authority be and is hereby given to Mr. Johnson Kandasamy A/L David Nagappan who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company."

c. TUAN HJ MOHD KHALID BIN IDRIS — Resolution 9

"THAT authority be and is hereby given to Tuan Hj Mohd Khalid Bin Idris who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company."

7. **ORDINARY RESOLUTION 2 :** Resolution 10
AUTHORITY TO DIRECTORS TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

"THAT subject always to the Companies Act, 1965 ("Act"), Articles of Association of the Company and approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other governmental / regulatory bodies, where such approval is necessary, full authority be and is hereby given to the Directors pursuant to Section 132D of the Act to issue 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 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 Securities."

8. **SPECIAL RESOLUTION :** Resolution 11
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

"THAT the proposed amendments to the Articles of Association of the Company as set out in "Annexure A" attached to the Annual Report be and are hereby approved and adopted.

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."

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

NOTICE OF ENTITLEMENT DATE AND DIVIDEND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT the proposed Single Tier Final Dividend of 1 sen per share in respect of the financial year ended 31 March 2013, if approved, will be paid on **10 October 2013** to depositors registered in the Record of Depositors at the close of business on **1 October 2013.**

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 October 2013 in respect of ordinary transfers; and

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

BY ORDER OF THE BOARD
DOMINANT ENTERPRISE BERHAD

YONG MAY LI (f)
(LS0000295)
Company Secretary

Johor Bahru,
30 August 2013

NOTES :

1. A member of the Company entitled to attend and vote at the meeting may appoint a proxy or proxies (but not more than two) to attend and vote in his/her stead. A proxy may but need not be a member of the Company.

2. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her holding to be represented by each proxy.

3. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 is allowed to appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

4. 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 authoirsed nominee may appoint in respect of each omnibus account it holds.

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 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 Darul Takzim not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

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 54(2) 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 13 September 2013 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.

EXPLANATORY NOTES:

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.

2. Item 6 of the Agenda

Mr. Tan Meng Poo, Mr. Johnson Kandasamy A/L David Nagappan and Tuan Hj Mohd Khalid Bin Idris who have served as Independent Non-Executive Directors ("INEDs") of the Company for a cumulative term of more than nine (9) years, to continue to serve as an INEDs based on the following justification :

(i) The INEDs have fulfilled the criteria under the definition of Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;

(ii) The INEDs have actively participate in Board deliberations, provided objectivity in decision making and an independent voice to the Board and contributed to the Board preventing the Board dominating any one party;

(iii) The INEDs have developed deep insight into the Group's businesses and operations and therefore will be able to provide invaluable contributions to the Group; and

(iv) The ability of a director to serve effectively as an Independent Director is very much dependent on his caliber, qualification, experience and personal qualities and has no real connection to his tenure as an Independent Director.

NOTICE
OF ANNUAL GENERAL MEETING

3. Item 7 of the Agenda

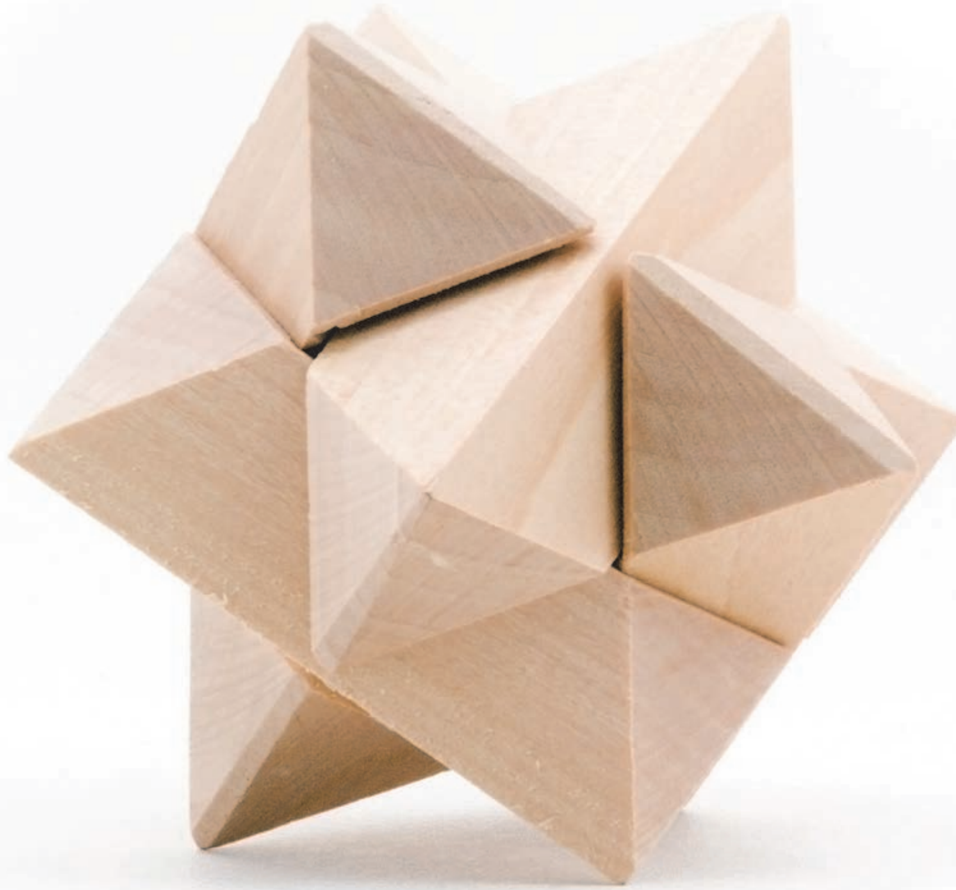
Resolution 10 proposed under item 7 of the Agenda is for the purpose of granting a renewal of the general mandate and if passed, will provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercise 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. This authority will commence from the date of this Annual General Meeting and unless earlier revoked or varied by the shareholders of the Company at a subsequent general meeting, shall expire at the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares have been issued (Other than shares for Employee's Shares Option Scheme ("ESOS") exercised) pursuant to the mandate obtained at the 20th Annual General Meeting of the Company held on 18 September 2012, and accordingly no proceeds were raised (Except for ESOS exercised).

STATEMENT
ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27 (2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

There is no person seeking for election as Director of the Company at this Annual General Meeting.



ANNEXURE A

Proposed Amendments to Articles of Association of the Company

In conjunction with the amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company proposes to implement the following amendments to the Articles of Association of the Company to comply with the amended provisions of the Main Market Listing requirements of Bursa Malaysia Securities Berhad :

Article No.	Existing Article	Amended Article
To amend / insert a new "Definition" in Article 2	"Listing Requirements" means The Listing Requirements of the Exchange including any amendments to the Listing Requirements that may be made from time to time. None None None	"Listing Requirements" means The **Main Market** Listing Requirements of the Exchange including any amendments to the Listing Requirements that may be made from time to time. **"Securities" shall have the meaning given in Section 2 of the Capital Markets and Service Act 2007.** **"Shares" means shares in the Company.** **"Share Issuance Scheme" means a scheme involving a new issuance of shares to the employees.**
To amend Article 4(c)	<u>Allotment of shares</u> Every <u>issue of shares or options</u> to employees and/or Directors of the company shall be approved by the Members in a general meeting and no Director shall participate in such issues of shares unless:- (i) the Members in general meeting have approved of the specific issue and allotment to such Director; and (ii) he holds office in the Company in an executive or non executive capacity.	<u>Allotment of shares</u> Every issue of shares or **a Share Issuance Scheme** or options to employees and/or Directors of the company shall be approved by the Members in a general meeting and no Director shall participate in such issues of shares unless:- (i) the Members in general meeting have approved of the specific issue and allotment to such Director; and (ii) he holds office in the Company in an executive or non executive capacity.
To amend Article 63	<u>Notice that proxy is allowed</u> In every notice calling a meeting of the Company there shall appear with reasonable prominence, a statement that a Member entitled to attend and vote <u>is entitled to appoint not more than two (2) proxies to attend and vote in his stead, and that a proxy may but need not be a Member and/or a qualified legal practitioner, an approved company auditor or a person approved by the Registrar. Where a Member appoints two (2) proxies, he shall specify the proportion of his holdings to be represented by each proxy, failing which the appointment shall be invalid.</u>	<u>Notice that proxy is allowed</u> In every notice calling a meeting of the Company there shall appear with reasonable prominence, a statement that a Member entitled to attend and vote **at a meeting of the Company, or at a meeting of any class of Members of the Company, shall be entitled to appoint not more than two (2) persons as his/her proxies to attend and vote instead of the Member at the meeting. A proxy may but need not be a Member of the Company and there shall be no restriction as to the qualification of the proxy and the provisions of Section 149(1)(b) of the Act shall not apply to the Company. If a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy and provided that in the case of a vote on any question by a show of hands, only one (1) of the proxies so appointed shall be entitled to vote on a show of hands.**

ANNEXURE A
Proposed Amendments to Articles of Association of the Company

Article No.	Existing Article	Amended Article
To insert new Article 63A	None	<u>**Authorised Nominee And Exempt Authorised Nominee**</u> **(1) 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 in ordinary shares of the Company standing to the credit of the said securities account.** **(2) Where a Member of the Company is an exempt authorised nominee 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.** **An exempt authorised nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.** **(3) Where 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, failing which the appointment shall be invalid.**
To amend Article 77	<u>Instrument appointing proxy to be in writing</u> The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorized. The Directors may but shall not be bound to require evidence of the authority of any such attorney or officer. A proxy may but need not be a Member <u>and/or a qualified legal practitioner, an approved company auditor or a person approved by the Registrar.</u> The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.	<u>Instrument appointing proxy to be in writing</u> The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised. The Directors may but shall not be bound to require evidence of the authority of any such attorney or officer. A proxy may but need not be a Member **of the Company and there shall be no restriction as to the qualification of the proxy and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.** The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

ANNEXURE A

Proposed Amendments to Articles of Association of the Company

Article No.	Existing Article	Amended Article
To insert new Article 77A	None	**<u>Proxy's right to speak at meeting</u>** **A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the Member to speak at the meeting.**
	<u>Form of Proxy</u> Notes :	<u>Form of Proxy</u> Notes :
To amend paragraph 1 of the Notes to Article 78	A proxy may but need not be a Member and/or a qualified legal practitioner, an approved company auditor or a person approved by the Registrar.	**A Member of the Company who is entitled to attend and vote at a meeting of the Company, or at a meeting of any class of Members of the Company, may appoint not more than two (2) proxies to attend and vote instead of the Member at the meeting.** A proxy may but need not be a Member **of the Company and there shall be no restriction as to the qualification of the proxy and the provisions of Section 149(1)(b) of the Act shall not apply to the Company. If a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.**
To delete Paragraph 3 of the Notes to Article 78	A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting and the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.	**Deleted.**
To amend Paragraph 4 of the Notes to Article 78	Where a member is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.	**Where a Member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.** **Where a Member of the Company is an exempt authorised nominee 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.** **Where 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, failing which the appointment shall be invalid.**

CORPORATE INFORMATION

Board of Directors

Teo Ah Bah @ Teo Chuang Kwee	- Non-Executive Chairman
Cha Aku Wai @ Sia Ah Kow	- Managing Director
Owee Geok Choon	- Deputy Managing Director
Kuah Boo Cheng @ Kuah Kwai Yoke	- Executive Director
Chai Soon Too	- Executive Director
Tan Meng Poo	- Senior Independent Non-Executive Director
Hj Mohd Khalid Bin Idris	- Independent Non-Executive Director
Johnson Kandasamy A/L David Nagappan	- Independent Non-Executive Director
Waldersee Chan Chung Ching	- Non-Independent Non-Executive Director
Teo Yu Chin	- Alternate Director to Teo Ah Bah @ Teo Chuang Kwee

Audit Committee

Hj Mohd Khalid Bin Idris	- Chairman
Tan Meng Poo	- Member
Johnson Kandasamy A/L David Nagappan	- Member

Company Secretary

Yong May Li (LS0000295)

Principal Bankers

Affin Bank Berhad
AmBank (M) Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
OCBC Bank Group
RHB Bank Berhad
United Overseas Bank Group

Stock Exchange

Main Market of Bursa Malaysia Securities Berhad
(635998-W)
Stock Name: DOMINAN
Stock Code : 7169

Auditors

BDO (AF0206)
Suite 18-04, Level 18 Menara Zurich,
15 Jalan Dato' Abdullah Tahir,
80300 Johor Bahru, Johor, Malaysia
Tel : 607 – 331 9815 Fax : 607 – 331 9817

Registered Office

Suite 1301, 13th Floor,
City Plaza, Jalan Tebrau,
80300 Johor Bahru, Johor, Malaysia
Tel : 607 – 335 4988 Fax : 607 – 335 4977

Share Registrar

Tricor Investor Services Sdn Bhd
(118401-V)
Level 17, The Gardens North Tower,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur, Malaysia.
Tel : 603 – 2264 3883 Fax : 603 – 2282 1886

DIRECTORS' PROFILE

Teo Ah Bah @ Teo Chuang Kwee Non-Executive Chairman

Aged 65, Malaysian, is one of the founders of Dominant Group and was appointed as the Executive Chairman on 17 December 1993. He was redesignated to his current position with effect from 12 November 2004. He graduated from the University of Singapore with a Bachelor of Science in Applied Chemistry in 1974. Upon graduation, he joined his family company, Ayer Hitam Sawmill Co. Sdn. Bhd., which was involving in timber logging and sawmill for both export and domestic markets. He, together with his brothers had successfully set up many other businesses including property development, trading and manufacturing. He is now the managing director of Gromutual Bhd.

Cha Aku Wai @ Sia Ah Kow Managing Director

Aged 62, Malaysian, is one of the founders of the Dominant Group and was appointed as the Managing Director of Dominant on 17 December 1993. He graduated with a Bachelor of Commerce majoring in Accounting from Nanyang University Singapore in 1974. He was admitted as a registered accountant of the Singapore Society of Accountants in 1978. He started a trading and distribution of wood-based products company in Singapore, namely Akati Pte Ltd, which was eventually restructured to AIPL. The trading business grew rapidly and this prompted him to set up ISB and CTSB to capture the market of Malaysia. With his entrepreneurship and long-term strategic view, he successfully established the manufacturing operations of Dominant through the incorporation of PWSB and BISB in 1994. He is the main driving force behind the Dominant Group and is actively involved in its overall operations and corporate planning.

Owee Geok Choon Deputy Managing Director

Aged 42, Malaysian, was appointed to the Board of Dominant on 18 April 2003. He was redesignated to his current position with effect from 1 January 2010. He graduated with a Bachelor of Commerce majoring in Accounting from Monash University, Australia in 1993. He started his career with AIPL as an Export Marketing Executive. With his dedication and ability, he was later offered the position of General Manager in CTSB in 1996. Apart from overseeing the day-to-day operations of CTSB, KGISB, BISB, AWVCL, GPPL and PWSB, he is also responsible for the business development and implementation of marketing strategies for the Group.

Kuah Boo Cheng @ Kuah Kwai Yoke Executive Director

Aged 59, Singaporean, was appointed to the Board of Dominant on 18 April 2003. He is also a Director and General Manager of AIPL. He obtained a Diploma in Business Management from Singapore Institute of Management in 1995. In 1992, he joined AIPL as a Director. With his hands-on experience in the wood panel industry, he is instrumental in the sourcing of and negotiation for the supply of plywood and other wood-based materials of the Dominant Group as well as developing close relationships with the suppliers. As the main driving force of AIPL, he is in charged of the day-to-day operations, the development and implementation of AIPL's business and marketing strategies. He was appointed as the director of GPPL in year 2005.

Chai Soon Too Executive Director

Aged 52, Malaysian, was appointed to the Board of Dominant on 18 April 2003. He is also the Director and General Manager of ISB and JSB. He is the co-founder of JSB and was instrumental in setting up ISB's offices in Butterworth and Kota Bahru. He graduated with a Bachelor of Business Administration from National Chung-Hsing University, Taiwan in 1985. In 1993, he joined ISB as Director. He is responsible for overseeing the day-to-day operations of ISB and is also in charged of the business development and establishment of new distribution networks of ISB and JSB. He was appointed as the director of EISB and KGISB in financial year 2005.

Tan Meng Poo Senior Independent Non -Executive Director

Aged 52, Malaysian, was appointed to the Board of Dominant on 18 April 2003. He was redesignated to his current position with effect from 27 February 2013. He graduated with a Bachelor of Law (Honours) from University of Malaya in 1985 and was admitted as an advocate and solicitor in 1986. He was in active legal practice until 31 December 2005. He is now a International Vice President of a non-profit organization. His responsibility is to provide regional leadership in several countries for that organization.

DIRECTORS'
PROFILE

Hj Mohd Khalid Bin Idris Independent Non-Executive Director

Aged 69, Malaysian, was appointed to the Board of Dominant on 18 April 2003. He started his career with the Inland Revenue Department in 1965 and resigned as an Examiner in 1975 to join a Public Accounting Firm as a Tax Manager. He started his own management consultancy firm, Khalid & Associate Sdn Bhd in 1986. He has been the director of the company since then. He is a member of the Malaysian Association of Company Secretaries and Malaysian Institute of Taxation.

Johnson Kandasamy A/L David Nagappan Independent Non-Executive Director

Aged 52, Malaysian, was appointed to the Board of Dominant on 1 November 2004. He started his career in accountancy in 1981 as an audit trainee with a local accounting firm. Prior to establishing his own accounting firm, JK David & Co. in 2002, he served in various capacities in two other local accounting firms. He is a Chartered Accountant registered with the Malaysian Institute of Accountants, a Fellow of the Association of Chartered Certified Accountants, an associate of the Chartered Tax Institute of Malaysia, an approved tax agent and also a Certified Financial Planner.

Waldersee Chan Chung Ching Non-Independent Non-Executive Director

Aged 37, Malaysian, was appointed as the Non-Independent Non-Executive Director of Dominant on 1 April 2011. He graduated with a Bachelor of Laws from University College London, UK in 1999 and was subsequently called to the UK, Malaysian and Singapore Bars. He is presently practising as an Advocate and Solicitor of the Supreme Court of Singapore.

Teo Yu Chin Alternate Director to Teo Ah Bah @ Teo Chuang Kwee

Aged 32, Malaysian, was appointed as Alternate Director to the Chairman on 1 January 2011. He graduated with a Bachelor of Electrical Engineering from Pennsylvania State University, USA in 2002. He started his career with United Overseas Bank (Malaysia) Berhad as Commercial and Corporate Banker in 2003. In 2007, he joined Vermi Industries Sdn. Bhd. as General Manager. He joined Dominant as the Business Development Director of Dominant in 1 January 2013.

Family Relationship of Directors
None of the directors has any family relationship with any directors and/or major shareholders of the Company other than as disclosed below :-

1. Cha Aku Wai @ Sia Ah Kow is the brother in law of Teo Ah Bah @ Teo Chuang Kwee
2. Teo Yu Chin is the son of Teo Ah Bah @ Teo Chuang Kwee and the nephew of Cha Aku Wai @ Sia Ah Kow
3. Waldersee Chan Chung Ching is the son-in-law of Cha Aku Wai @ Sia Ah Kow

Conflict of Interest
None of the directors has any conflict of interest with the Company.

Conviction of Offence
None of the directors has been convicted of any offence within the past 10 years other than traffic offences.

Securities Holdings
The particulars of the directors' shareholdings are set out in page 88 of this Annual Report.

Dear Shareholders,

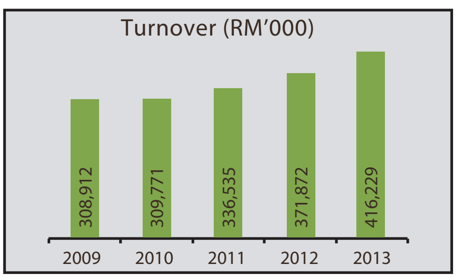
On behalf of the Board of Directors, it is with pleasure that I present to you the Annual Report and the audited financial statements of Dominant Enterprise Berhad (Dominant or the Group) for the financial year ended 31 March 2013 (FY2013).

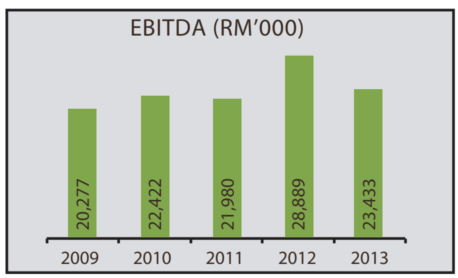
ECONOMIC REVIEW

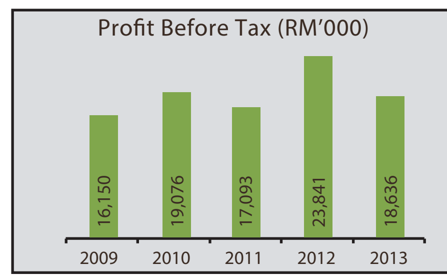
The International Monetary Fund (IMF) reported that the global economy in 2012 saw a subdued pace of recovery, with real gross domestic product (GDP) growing only at 3.2% from 4.0% last year, on account of a protracted Eurozone debt crisis and delayed growth in the US. The IMF forecast slower global growth for 2013 and 2014, citing expectations of a more protracted recession in Europe and a slowdown in key developing countries such as China, who saw a significant downward revisions.

Despite the foregoing economic conditions, the Malaysian economy performed better than expected, with Bank Negara Malaysia (BNM) reporting a real GDP growth of 5.6% in 2012, versus 5.1% in 2011. Similarly, the country's wood and wood products sector saw a production growth of 7.2% in 2012, as opposed to a contraction of 5.9% in 2011.

FINANCIAL PERFORMANCE







Riding on a robust wave of growth in domestic demand, I am pleased to announce that Dominant recorded a commendable performance for FY2013, with group revenue rising 11.9% to an all-time high of RM416.2 million versus RM371.9 million in FY2012.

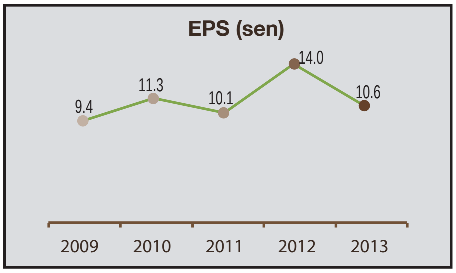
However, the global economic situation had resulted in the Group facing keener competition and tighter profit margins. Locally, the national minimum wage policy enforced in January 2013 also posed a new challenge as we experienced higher operational and raw material costs.

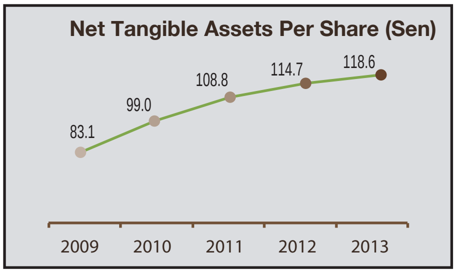
Owing to such challenges in the global economy as well as domestically, Dominant's operating profit for the year declined by 19.0% to RM23.4 million from RM28.9 million previously.

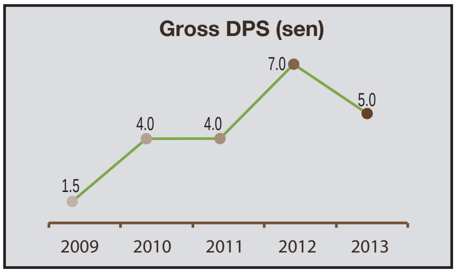
Similarly, the Group's FY2013 profit before tax (PBT) and net profit both declined by 21.8% to RM18.6 million and RM14.0 million respectively, while basic earnings per share stood at 10.58 sen as opposed to 14.03 sen previously.

As for the Group's balance sheet, shareholders' equity increased to RM160.0 million as at 31 March 2013 from RM149.0 million previously. Total borrowings grew to RM89.9 million from RM65.3 million in FY2012, mainly attributable to the increase in short term borrowings in line with increased working capital requirements, whilst cash and bank balances rose to RM27.9 million from RM23.6 million previously.

Overall, Dominant's net gearing stood at a comfortable 0.35 time as at 31 March 2013, against 0.30 time in the previous year.







OPERATIONS REVIEW

Despite facing a decline in revenue from key export markets, both our manufacturing and distribution segments benefited from sustained demand from the domestic sector attributable to strong growth in construction activity and furniture industry, especially in new housing developments.

Dominant's distribution segment grew 13.1% in FY2013 to RM330.5 million, from RM292.1 million previously. This is positive reassurance that our product lines are favoured choices among existing customers, in addition to experiencing continued growth in market demand. The segment continued to be the Group's largest contributor at 79.4% of FY2013 group revenue.

However, operating profit for our distribution segment dipped by 15.0% in FY2013 to RM17.6 million, from RM20.7 million previously. This was largely due to a hike in raw material prices for the year, as well as increased marketing expenditure to develop greater brand recognition.

Meanwhile, group manufacturing revenue saw an increase of 7.4% to RM85.7 million from RM79.8 million previously, mainly attributed to the market share expansion which enables the Group to grow continuously. Furthermore, launching of newly developed products and market penetration had also contributed to the increase in manufacturing revenue. However, the operating profit for the segment dipped by 22.8% in FY2013 to RM7.1 million, from RM9.2 million previously, owing to keener competition.

In terms of geographical presence, Dominant continued to make progress in our penetration of the Thailand market. In addition to the representative office set up in 2011, we recently set up a subsidiary namely Favor Woodpanel (Thailand) Co., Ltd to establish a firmer foothold in the country. The new setup also included enlarging our warehouse facility to manage the increasing sales volume.

Locally, we had in March 2013, concluded a land purchase in Dengkil, Selangor at a value of RM10.3 million, which will be utilized for a new integrated facility to house our existing warehouse and manufacturing facility. The planned integration comes in a timely manner as it will provide us with an efficient manufacturing and distribution network to support the Group's long term growth.

Dominant also made its first entry into the properties sector as it had, in early 2013, completed the construction of an industrial building at Johor Bahru at a cost of RM4.1 million. We expect the new industrial building to contribute towards earnings in the form of rental income commencing in financial year ending 2014 (FY2014). This diversification comes at an opportune time for the Group as we seek to tap into the strong market demand for industrial properties in tandem with increasing manufacturing activity in South Johor.

DIVIDEND

In continuing with the Group's dividend practice since our listing, and in appreciation of our shareholders' support, we are pleased to announce a fourth and final single-tier dividend of 1 sen per share. The proposed dividend is subject to shareholders' approval at the upcoming Annual General Meeting.

In respect of FY2013, we have distributed three interim single-tier dividend payments with a total dividend of 4 sen per share, amounting to RM5.3 million. With shareholders' consent for the fourth and final dividend of 1 sen per share, total dividend payout in respect of FY2013 will stand at 5 sen per share, amounting to RM6.7 million with a payout ratio of 47.9%.

BUSINESS OUTLOOK

The IMF had recently forecasted the global economy to grow at a lacklustre pace, attributable to slower growth among major emerging markets and extended recession in the Eurozone. However, the situation remains promising on the Malaysian front, with BNM projecting the domestic economy to remain on a steady growth path with an expansion of 5-6% in 2013, anchored by resilient domestic demand and growth in both private and public investments.

Hence, Dominant remains confident in recording another year of success as we look forward to not only capturing domestic growth opportunities, but also making inroads into higher growth economies in ASEAN and South Asia. In this respect, the Group continues to strive towards capturing a larger share of all markets that we operate in to garner a stronger foothold for the Group, while allowing us to capitalize on economies of scale, ultimately benefitting the Group's bottom line in the long run. We also place greater emphasis on innovating our product designs and enlarging our range of offerings to achieve higher margins, as well as differentiate the Group's products as a choice selection among our clientele in the region.

At the same time, the Group intends to intensify our product diversification into the distribution of various building materials such as cement, which will contribute further to Group earnings while reducing the Group's dependency on wood based materials. We are confident of this new business segment as we are able to leverage on our distribution network and existing access to a wide clientele base in the sector.

ACKNOWLEDGEMENT

I remain very grateful towards the Board of Directors, the management, and our staff's invaluable contributions and commitment, which had been crucial to the Group's commendable progress and achievements to date.

I would also like to take this opportunity to thank our shareholders, customers, suppliers, financiers, and the Government authorities for their support in enabling Dominant to achieve another corporate milestone.

Teo Ah Bah @ Teo Chuang Kwee
Non-Executive Chairman
30 August 2013

CORPORATE STRUCTURE

Dominant Enterprise Berhad "DEB"

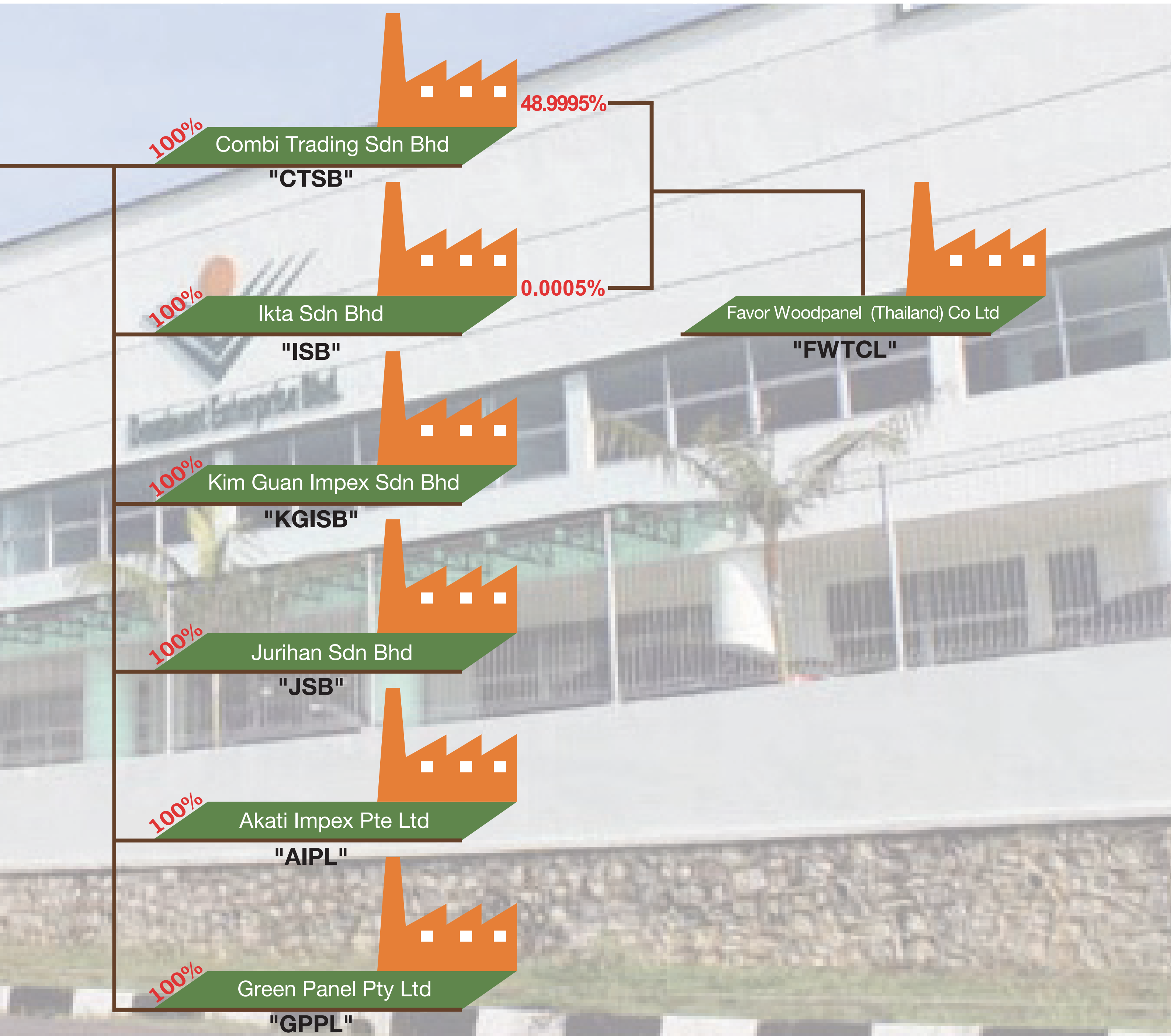
Distribution Division

Manufacturing Division

- 100% Premier Woodprofile Sdn Bhd "PWSB"
- 100% Bripanel Industries Sdn Bhd "BISB"
- 100% Ecopanel Industries Sdn Bhd "EISB"
- 100% Akati Wood (Vietnam) Co Ltd "AWVCL"

Other

- 100% Wira Land Development Sdn Bhd "WLDSB"
- 100% Damai Estate Sdn Bhd "DESB"


100%
Combi Trading Sdn Bhd
"CTSB"
48.9995%
100%
Ikta Sdn Bhd
"ISB"
0.0005%
Favor Woodpanel (Thailand) Co Ltd
"FWTCL"
100%
Kim Guan Impex Sdn Bhd
"KGISB"
100%
Jurihan Sdn Bhd
"JSB"
100%
Akati Impex Pte Ltd
"AIPL"
100%
Green Panel Pty Ltd
"GPPL"

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Dominant believes in its social responsibility due to all stakeholders, which encompasses our employees, shareholders, and other parties within the environment we conduct business in.

As part of the Group's commitment to become a socially responsible corporate citizen, the Company formed a charity club namely WeCare, which are mainly funded by the Group and its employees. Through WeCare, the Company has taken proactive steps in making contributions to the needy and less fortunate.

On the environmental front, our products are indeed already a form of CSR for our customers and the end consumers. The Company has always been environmentally responsible as our operations emphasise on industry best practices that reduce waste and pollution. We source our raw materials from sustainable forests and rubberwood plantations. We seek to educate the public about the benefits of using environmentally-friendly products like our water-based primer-coated wood panel line and constantly promote it in the market.

Dominant has put in effort to increase CSR work by setting up Education Award. This is to encourage employees' children to strive for excellent results in their studies. The award has been extended to all Dominant's overseas branches and the number of recipients that benefits from the Education Award increases from year to year.

Our other CSR initiatives include the adopting of stringent measures pertaining to occupational health and safety to ensure the wellbeing of our employees. We continue to invest in human resources developments to ensure proper trainings are given to the employees to further enhance their skills and knowledge. Some sport activities have been carried out to build better social rapport among our employees.

The members of the Audit Committee and details of their attendance of meetings held during the financial year ended 31 March 2013 are as follow:-

		No of meetings	
Name	Designation	Held	Attended
Hj Mohd Khalid Bin Idris	Chairman / Independent Non-Executive Director	5	5
Tan Meng Poo	Member / Senior Independent Non-Executive Director	5	4
Johnson Kandasamy A/L David Nagappan *(Member of MIA)*	Member / Independent Non-Executive Director	5	5

TERMS OF REFERENCE

1. Authority

The Committee is authorised by the Board, in accordance with the procedures to be determined by the Board 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;

(d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any);

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

(f) convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary at least once a year.

2. Duties

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

(a) any matters concerning the appointment and dismissal of the external auditors and the audit fee;

(b) the nature and scope of the audit by the external auditors before commencement;

(c) the external auditors' audit report, areas of concern arising from the audit and any other matters the external auditors may wish to discuss (in the absence of management);

(d) any financial information for publication, including quarterly and annual financial statements, before submission to the Board, focusing particularly on:
- Changes in implementation of major accounting policy changes;
- Significant and unusual events; and
- Compliance with accounting standards and legal requirements;

(e) the external auditors' management letter and the 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;

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

(i) any evaluations on Risk Management and Internal Control by auditors;

(j) extent of cooperation and assistance given by the employees;

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

(l) any other matter as directed by the Board.

3. Overseeing the Internal Audit Function

(a) The Committee shall oversee all internal audit functions and is authorised to commission investigations to be conducted by internal audit as it deems fit;

(b) The internal auditor shall report directly to the Committee and shall have direct access to the Chairman of the Committee; and

(c) All proposals by management regarding the appointment, transfer or dismissal of the internal auditor shall require the prior approval of the Committee.

4. Quorum for Meetings

The quorum shall be formed only if there is a majority of members present at the meeting who are independent directors.

5. Attendance at Meetings

(a) The Chief Executive Officer, the Chief Financial Officer, the Company Secretary and the Head of Internal Audit shall normally attend meetings but may be asked to leave a meeting as and when deemed necessary by the Committee; .

(b) A representative of the external auditors shall attend the meeting to consider the final audited financial statements and such other meetings determined by the Committee; and

(c) Non-member directors shall not attend unless specifically invited to by the Committee.

6. Frequency of Meetings

The Chairman of the Committee shall call for meetings, to be held not less than four times a year. The external auditors may request a meeting if they consider one necessary.

7. Reporting Procedure

(a) The Company Secretary shall be the Secretary of the Committee. She shall record attendance of all members and invitees and take minutes to record the proceedings of every meeting of the Committee. All minutes of meetings shall be circulated to every member of the Board.

(b) The Committee shall prepare an annual report to the Board that provides a summary of the activities of the Committee for inclusion in the company's annual report;

(c) The Committee shall assist the Board in preparing the following for publication in the Company's annual report.

(i) Statement on the Company's application of the principles set out in Part 1 of the Malaysian Code on Corporate Governance;

(ii) Statement on the extent of compliance with the Best Practices in Corporate Governance set out in Part 2 of the Malaysian Code of Corporate Governance, specifying reasons for any areas of non-compliance (if any) and the alternatives adopted in such areas;

(iii) Statement on the Board's responsibility for preparing the annual audited financial statements; and

(iv) Statement about the state of risk management and internal control of the Group; and

(v) Statement on Internal Audit function to disclose whether the Internal Audit function is performed in-house or outsourced and the cost incurred for the Internal Audit function in respect of the financial year.

(d) The Committee may report any breaches of the Listing Requirements, which have not been satisfactorily resolved, to the Bursa Malaysia Securities Berhad.

ACTIVITIES

During the financial year, the Audit Committee had carried out its duties in accordance with the terms of reference.

INTERNAL AUDIT FUNCTIONS

The internal audit department of the Company had continued to assist the Audit Committee in discharging its duties and responsibility by undertaking regular and systematic reviews of the system of risk management and internal control within the Group, as to ensure the operating procedures, risk management and internal control are complied with and to provide reasonable assurance that such system continues to operate satisfactorily and effectively. Overview of the Group's approach in maintaining a sound system of risk management and internal control is stated in the Risk Management and Internal Control Statement on page 22 of this annual report.

EMPLOYEE'S SHARE OPTION SCHEME ("ESOS")

The Company's ESOS was approved by the shareholders at the Extraordinary General Meeting held on 26 July 2004 and the approval from Bursa Malaysia Securities Berhad was obtained on 25 May 2004. The details of the options granted are as below :

Number of options over ordinary shares of RM0.50 each

Date of offer	Option Price RM	Options Granted	Adjustment*	Exercised	Cancelled	Exercisable as at 31.3.2013
2 August 2004	0.50	12,900,000	5,096,000	(11,311,480)	(4,918,600)	1,765,920
3 March 2008	0.51	5,473,200	-	(2,456,000)	(1,334,200)	1,683,000
		18,373,200	5,096,000	(13,767,480)	(6,252,800)	3,448,920

** Adjustment of the number of options granted pursuant to the bonus issue.*

The directors were granted an aggregate share options of 3,500,000 shares. The aggregate of the maximum allocation applicable to directors and the actual options granted to them are approximately 20% and 19% of total ESOS respectively. All the options granted to the directors have been exercised.

Other details of the ESOS are stated on page 25 of this annual report.

This report was made in accordance with a resolution of the Board of directors dated 29 July 2013.

STATEMENT
ON CORPORATE GOVERNANCE

The Board is pleased to report to the shareholders the manner in which the Company has applied the principles and complied with the best practices in the Malaysian Code on Corporate Governance 2012 ("MCCG") throughout the financial year ended 31 March 2013.

THE BOARD AND BOARD BALANCE

The Company continues to be led and managed by an effective Board comprising a balanced mix of Directors with business, industry and professional knowledge and experience. There are nine (9) members, comprising five (5) Non-Executive Directors (including the Chairman) and four (4) Executive Directors. Out of the five (5) Non-Executive Directors, three (3) are independent. The Board has overall responsibility for the performance of the Group, in which shall include strategic planning as to approve the Company's strategic objectives and to ensure that the financial and other resources are made available to the management to enable them to meet those objectives.

Recommendation on 3.2 of the MCCG states that the tenure of an independent director ("ID") should not exceed a cumulative term of nine (9) years. However, the Nomination Committee and the Board have assessed, reviewed and determined that the independence of all the three (3) ID, remain objective and independent based on the following justifications :-

(i) The IDs have fulfilled the criteria under the definition of ID pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
(ii) The IDs have actively participate in Board deliberations, provided objectivity in decision making and an independent voice to the Board and contributed to the Board preventing the Board dominating any one party;
(iii) The IDs have developed deep insight into the Group's businesses and operations and therefore will be able to provide invaluable contributions to the Group; and
(iv) The ability of a director to serve effectively as an ID is very much dependent on his caliber, qualification, experience and personal qualities and has no real connection to his tenure as an ID.

Further, Recommendation 3.5 of the MCCG states that the Board must comprise a majority of IDs where the Chairman of the Board is not an ID. This would require an increase in the current size of the Board. The current size and composition of the Board are considered adequate to provide an optimum mix of skills, experience and expertise. The Board is of the view that with the current Board size, there is no disproportionate imbalance of power and authority on the Board between the non-independent and independent directors. The Board will continue to monitor and review the Board size and composition as may be needed.

BOARD MEETINGS

During the financial year ended 31 March 2013, four (4) meetings were held. The attendance record of the members of the Board meetings are as follows :-

Executive Directors	Attendance	Non-Executive Directors	Attendance
Cha Aku Wai @ Sia Ah Kow	4/4	Teo Ah Bah @ Teo Chuang Kwee (Alternate Director : Teo Yu Chin)	4/4
Kuah Boo Cheng @ Kuah Kwai Yoke	4/4	Tan Meng Poo	3/4
Chai Soon Too	4/4	Hj Mohd Khalid Bin Idris	4/4
Owee Geok Choon	4/4	Johnson Kandasamy A/L David Nagappan	4/4
		Waldersee Chan Chung Ching	4/4

BOARD COMMITTEES

The Board has delegated certain of its responsibilities to three (3) committees. These are the Audit, Nomination and Remuneration Committees.

All committees have written Terms of Reference and have the authority to examine particular issue and report to the Board with recommendations.

Audit Committee

The report by the Audit Committee for the financial year ended 31 March 2013 is set out on page 17 of this Annual Report.

Nomination Committee

The members of the Nomination Committee (NC) and the attendance record are as follows :

Nomination Committee	Attendance
Tan Meng Poo (Chairman / Senior Independent Non-Executive Director)	2/2
Teo Ah Bah @ Teo Chuang Kwee (Non-Executive Director)	2/2
Hj Mohd Khalid Bin Idris (Independent Non-Executive Director)	2/2
Johnson Kandasamy A/L David Nagappan (Independent Non-Executive Director)	2/2

Apart from identifying, selecting and recommending the candidates for new appointment, the NC has also carried out an annual assessment and evaluation on the effectiveness of the Board as a whole, the various Committees of the Board and the individual directors, including Independent Non-Executive Directors. All assessment carried out by the NC were documented. The Committee also reviewed the structure, size and composition of the Board and recommended the retiring directors for re-election at the Company's forthcoming Annual General Meeting.

STATEMENT
ON CORPORATE GOVERNANCE

During the year under review, the Board comprises the mix of skills, expertise and experience of its members which are sufficient for the effective discharge of its duties and responsibilities.

Remuneration Committee

The Remuneration Committee (RC) was formed to assist the Board in determining, developing and recommending an appropriate remuneration policy and remuneration package for Directors.

The RC members and attendance records are as follows :

Remuneration Committee	Attendance
Hj Mohd Khalid Bin Idris (Chairman / Independent Non-Executive Director)	2/2
Teo Ah Bah @ Teo Chuang Kwee (Non-Executive Director)	2/2
Johnson Kandasamy A/L David Nagappan (Independent Non-Executive Director)	2/2
Tan Meng Poo (Senior Independent Non-Executive Director)	2/2

SUPPLY OF INFORMATION

The Board members have full and timely access to all relevant information, records and the unrestricted access to the advice and services of the company secretary and auditors. Notice of meetings, agenda and accompanied by detailed reports will be circulated to all Board members for their perusal in advance of the Board meeting date. All issues discussed during the Board meetings are recorded by the company secretary and all minutes of meetings are kept in the minutes book at the registered office. Where necessary, the Directors may seek independent professional advice at the Group's expense in order to discharge their duties and responsibilities effectively.

APPOINTMENT AND RE-ELECTION

All new nominations for appointment to the Board are assessed by the Nomination Committee. In accordance with the Company's Article of Associations, at least one-third (1/3) of the Directors shall retire from office every three (3) years, but shall be eligible for re-election.

The Nomination Committee has adopted a nomination process as follows :

1. Identification of candidates
2. Evaluation of suitability of candidates
3. Meeting up with candidates
4. Final deliberation by Nomination Committee; and
5. Recommendation to the Board of Directors

DIRECTORS' TRAINING

All directors appointed to the Board during the year have attended the Mandatory Accreditation Programme ("MAP"). The directors are aware of the importance of continuous training to update themselves and to further enhance their skills, knowledge and better equip themselves to effectively discharge their duties. The courses attended during the financial year under review are as below :

- Global Market Outlook and Economic Updates
- 2013 Budget Seminar
- FX and Economic Outlook Briefing
- Audit Committee Institute Breakfast Roundtable
- The 12 Steps to Successful Exporting
- Risk Awareness Workshop
- Motivation Seminar

DIRECTORS' REMUNERATION

The remuneration of Directors will be reviewed and recommended to the Board by Remuneration Committee annually. The aggregate remuneration categorised into the appropriate components for the financial year ended 31 March 2013 is summarised below: -

	Executive Directors	Non-Executive Directors	Total
	RM	RM	RM
Fees	-	196,000	196,000
Salary & Other emoluments	2,908,045	-	2,908,045
Meeting Allowance	9,000	11,500	20,500
	2,917,045	207,500	3,124,545

The number of Directors whose total remuneration fell within the following bands for current financial year are analysed below :-

	Number of Director	
Range of Remuneration	Executive Directors	Non-Executive Directors
Below RM 50,000	-	4
RM 100,001 ~ RM 150,000	-	1
RM 600,001 ~ RM 650,000	2	-
RM 650,001 ~ RM 700,000	1	-
RM 900,001 ~ RM 950,000	1	-
	4	5

SHAREHOLDERS AND INVESTORS RELATIONS

The Board continues to acknowledge the need for shareholders and investors to be provided timely disclosure of all material business matters affecting the Company. Therefore, information is released to all shareholders through quarterly results, annual report and public announcements on timely basis. In addition, shareholders are encouraged to participate at Annual General Meeting ("AGM") where members of the Board, Senior Management and the external auditors are available to respond to shareholders' questions.

Recommendation 8.2 of the MCCG recommends that the Board should encourage poll voting for substantive resolutions. The Board is of the view that with the current level of shareholders' attendance at the AGM, voting by way of a show of hands continues to be efficient. Voting at the 20th AGM was conducted by show of hands. The Board will evaluate the feasibility of carrying out poll voting at its general meetings in future.

ACCOUNTABILITY AND AUDIT

(i) Financial Reporting

It's the Board's responsibility to present a balanced and meaningful assessment of the Company's position and prospect through the annual financial statements with the assistance of the external auditors. The Board is also responsible for ensuring the proper maintenance of accounting records of the Group.

(ii) Internal Control

The internal audit function is performed in-house and the costs incurred for the internal audit function in respect of the financial year ended 31 March 2013 is approximately RM 200,000. The Statement on Risk Management and Internal Control as detailed under page 22 of this annual report provides an overview of the state of Risk Management and Internal Controls within the Group.

(iii) Relationship with Auditors

The Board, via the Audit Committee, has always maintains an appropriate and transparent relationship with the external auditors. The Group's external auditors act an essential role for the shareholders by enhancing the reliability of the Group's financial statements and giving assurance of the reliability to users of these financial statements.

(iv) Directors' Responsibility Statement

The Board is responsible to present a true and fair view of the state of affairs of the Group as at the end of each financial year. They also have responsibilities for taking reasonable steps to safeguard the assets of the Group, and to prevent fraud, irregularities, material misstatements and losses. It is the Board's duty to ensure all accounting records are properly kept.

The Board has undertaken various steps to ensure timely, accurate and up-to-date financial information are announced to Bursa Malaysia Securities Berhad. In preparing the financial statements, the Board has ensured that the Group has consistently and prudently applied appropriate accounting policies and applicable approved Accounting Standards. The Board has also ensured the financial statements complied with the Companies Act 1965 and Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

OTHER INFORMATION

(i) Material Contract

There were no material contracts involving directors or major shareholders other than those entered in the ordinary course of business by the Company disclosed in the financial statements.

(ii) Options, Warrant or Convertible Securities

During the financial year under review, a total of 5,096,800 new ordinary shares were issued and allotted pursuant to the exercise of the Employees' Shares Option Scheme ("ESOS"), of which, 3,789,200 shares are allotted at an option price of RM 0.50, and 1,307,600 shares are allotted at an option price of RM 0.51 per share.

(iii) Share Buy-backs

The Company did not repurchase any of its own shares during the financial year.

This Statement was made in accordance with a resolution of the Board of Directors dated 29 July 2013.

STATEMENT
ON RISK MANAGEMENT AND INTERNAL CONTROL

Introduction

This statement is made in accordance with the paragraph 15.26(b) of Bursa Malaysia Securities Berhad Listing Requirements and as guided by Statement on Risk Management and Internal Control: Guidance for Directors of Listed Issuers, which requires listed issuer to make a statement in their annual report about their state of internal control as a Group.

Board of Directors' responsibilities

The Board continues with its commitment to maintain a sound system of risk management and internal control throughout the Group. In view of the inherent limitation in the system, it is designed to manage rather than eliminate the risk of failure to achieve business objectives. In pursuing these objectives, internal controls can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board of Directors is committed to maintaining a strong control structure for the proper conduct of its business operations. Regular Board meetings are held where important matters are discussed to ensure the Board maintains full and effective supervision over key issues. The Board is also assisted by the various committees with clearly defined responsibilities. The Executive Committee comprising the Executive Directors and Senior Management participate actively in the day-to-day operations of each subsidiary company. Significant corporate matters and its status are further brought to the Board and Audit Committee for further deliberation and reviews.

The Board recognises the need to formalise and enhance a structured risk management framework to be adopted and deployed across the Group for consistency in its risk management initiatives and activities. As such, an independent professional firm has been appointed during the current financial year for such a review and conducted a risk awareness workshop for relevant personnel in the Group.

The Board has received assurance from the Managing Director that the Group's risk management and internal control are operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

Risk Management and Internal Control

The following represent the key elements of the Group's risk management and internal control structure:

1. A structured risk management process for identifying, accessing and measuring business risk of the Group is in place and sufficient within the risk appetite of the Group.
2. The Audit Committee has full access to both the internal and external auditors. An Audit Plan will be presented by the Internal Auditors and will be reviewed and approved by the Audit Committee. In addition, quarterly financial reports and audited financial statements are also presented to the Audit Committee for assessment.
3. The Internal Auditors conduct regular reviews on the effectiveness of the internal control system by visiting branches and business divisions throughout Malaysia. A report will be presented to the management to highlight the audit findings (if any). It's also the internal auditors' responsibility to ensure that Standard Operating Procedures Manual ('SOPM")is strictly abided by all employees.
4. An organisation structure chart has been drawn with clearly defined the level of responsibility, proper segregation of duties and delegation of authority.
5. SOPM which clearly defined procedures on each task delegated is maintained. All departmental heads have been instructed to give full guidance to their subordinates and all employees are well trained on their job. This manual is revised as and when required to meet operational needs.
6. The Management is committed to employ suitably qualified staff to ensure operation efficiency. Performance appraisal system is in place with the objective of ensuring staff are competent to carry out their duties and responsibilities.
7. The Group maintains sufficient insurance coverage on all assets to avoid material losses.
8. The Executive Director reviews the areas of significant financial risk and approves the capital projects and investments on due assessment.
9. The Executives Directors and Senior Management meet on a quarterly basis. Management accounts are presented to the Executive Directors as and when required to facilitate the review of financial and operational performance of the business divisions.
10. Treasury department manages the cash balances and exposure to currency transaction risks through monitoring procedures and forward contract.

Conclusion

Pursuant to paragraph 15.23 of the Listing Requirement of Bursa Malaysia Security Berhad, the external auditors have reviewed this Statement and reported to the Board that nothing has come to their attention that causes them to believe this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal control.

The Board is of the view that the risk management and internal control system are operating satisfactorily and has not resulted in any significant breakdown or weaknesses that would cause any material loss to the Group for the financial year ended 31 March 2013.

This statement was made in accordance with a resolution of the Board of directors passed on 29 July 2013.

FINANCIAL
STATEMENTS

DOMINANT ENTERPRISE BERHAD
(Incorporated in Malaysia)

CONTENTS	PAGE

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2013.

PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding and providing management services. The principal activities of the subsidiaries are set out in Note 11 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM	Company RM
Profit for the financial year	14,035,957	7,388,128

DIVIDENDS

Dividends paid, declared or proposed since the end of the previous financial year were as follows:

	Company RM
In respect of financial year ended 31 March 2012: Single tier final dividend of 1.0 sen per ordinary share, paid on 11 October 2012	1,328,972
In respect of financial year ended 31 March2013: First interim single tier dividend of 2.0 sen per ordinary share, paid on 11 October 2012	2,657,943
Second interim single tier dividend of 1.0 sen per ordinary share, paid on 28 December 2012	1,336,433
Third interim single tier dividend of 1.0 sen per ordinary share, paid on 27 March 2013	1,342,315
	6,665,663

The Directors recommend a single tier final dividend of 1.0 sen per ordinary share amounting to RM1,352,514 in respect of the financial year ended 31 March 2013. The proposed final dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and paid-up ordinary share capital of the Company was increased from RM64,567,340 to RM67,115,740 by way of issuance of 3,789,200 and 1,307,600 new ordinary shares of RM0.50 each at the exercise prices of RM0.50 and RM0.51 each for cash respectively pursuant to the exercise of Employees' Share Options Scheme.

The newly issued shares rank pari passu in all respects with the existing ordinary shares of the Company. There were no other issue of shares during the financial year.

There were also no issue of debentures during the financial year.

REPURCHASE OF SHARES

The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act 1965. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended. The Company did not repurchase any of its own shares during the financial year.

The Company did not repurchase any of its own shares during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year apart from the issue of options pursuant to the Employees' Share Options Scheme('ESOS').

The Company's Employees' Share Option Scheme ('ESOS') was approved by the shareholders at the Extraordinary General Meeting held on 26 July 2004 and the approval from Bursa Malaysia Securities Berhad ('Bursa Securities') on 25 May 2004.

On 27 February 2008, the ESOS Committee ('Committee') made additional offers of 5,473,200 share options to the qualified employees in the Group in accordance with the terms stated in the ESOS By-Laws, at an exercise price of RM0.51 per ordinary share. All terms and conditions of the offer remained unchanged.

The salient features of the ESOS are as follows:

(a) any employee employed full time by the Group shall be eligible in the ESOS if he or she has been confirmed and must have served the Group on a continuous basis for a period of not less than a year on the date of offer;

(b) the number of new ordinary shares to be offered under the ESOS shall be subject to a maximum of 15% of the issued and paid-up share capital of the Company at any time during the existence of the ESOS; and the maximum entitlement of any eligible employee is 750,000 new ordinary shares under the ESOS and the actual entitlement will be determined by the Committee as appointed by the directors to administer the ESOS based on parameters as set out in the By-Laws approved by Bursa Securities;

(c) the ESOS shall be in force for a maximum period of five (5) years from the date of offer. As approved by the Committee at a meeting held on 24 July 2009, the exercised period for the ESOS granted in 2004 has been extended for another five years. The revised expiry date will fall on 2 August 2014;

(d) the price payable upon the exercise of the options under the ESOS shall be the average of the mean market quotation (calculated as the weighted average market prices as traded on Bursa Securities for the day) of the ordinary shares as quoted and shown in the Daily Official List issued by Bursa Securities for the five (5) market days with a discount of not more than ten per centum (10%) or the par value of the shares, whichever is the higher amount; and

(e) the shares under the aforesaid options may be exercised in full or in respect of 1,000 shares or a multiple thereof on the payment of the requisite subscription price within the respective exercisable periods of the aforesaid options.

The new ordinary shares to be allotted upon the exercise of the options shall rank pari passu in all respects with the existing issued and paid-up ordinary shares of the Company except that they shall not be entitled to any dividend or distribution which may be declared, made or paid prior to the date of exercise of the options.

The details of the options over the ordinary shares of the Company are as follows:

		Number of options over ordinary shares of RM0.50 each					
Date of offer	**Option price RM**	**Outstanding as at 1.4.2012**	**Granted**	**Exercised**	**Cancelled**	**Outstanding as at 31.3.2013**	**Exercisable as at 31.3.2013**
2 August 2004	0.50	6,087,120	-	(3,789,200)	(532,000)	1,765,920	1,765,920
3 March 2008	0.51	3,140,000	-	(1,307,600)	(149,400)	1,683,000	1,683,000
		9,227,120	-	(5,096,800)	(681,400)	3,448,920	3,448,920

DIRECTORS

The Directors who have held for office since the date of the last report are:

Mr. Cha Aku Wai @ Sia Ah Kow
Mr. Teo Ah Bah @ Teo Chuang Kwee
Mr. Kuah Boo Cheng @ Kuah Kwai Yoke
Mr. Chai Soon Too
Mr. Owee Geok Choon
Mr. Tan Meng Poo
Tuan Haji Mohd Khalid Bin Idris
Mr. Johnson Kandasamy A/L David Nagappan
Mr. Waldersee Chan Chung Ching
Mr. Teo Yu Chin (alternate to Mr. Teo Ah Bah @ Teo Chuang Kwee)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares and options over ordinary shares in the Company and of its related corporations during the financial year ended 31 March 2013 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act 1965 were as follows:

DIRECTORS' REPORT

	[---Number of ordinary shares of RM0.50 each---]			
	Balance as at 1.4.2012	Bought	Sold	Balance as at 31.3.2013
Shares in the Company				
Direct interest				
Mr. Cha Aku Wai @ Sia Ah Kow	1,847,584	-	-	1,847,584
Mr. Teo Ah Bah @ Teo Chuang Kwee	841,865	-	-	841,865
Mr. Kuah Boo Cheng @ Kuah Kwai Yoke	181,976	700,000	-	881,976
Mr. Chai Soon Too	162,489	700,000	-	862,489
Mr. Owee Geok Choon	228,253	500,000	(100,000)	628,253
Mr. Tan Meng Poo	29,400	-	-	29,400
Mr. Waldersee Chan Chung Ching	1,000,000	-	-	1,000,000
Indirect interest				
Mr. Cha Aku Wai @ Sia Ah Kow	63,101,818	-	-	63,101,818
Mr. Teo Ah Bah @ Teo Chuang Kwee	995,926	-	-	995,926
Mr. Owee Geok Choon	42,000	-	-	42,000
Mr. Waldersee Chan Chung Ching	1,429,594	-	-	1,429,594
Mr. Teo Yu Chin	119,570	-	-	119,570

	[---Number of options over ordinary shares of RM0.50 each---]			
	Balance as at 1.4.2012	Granted	Exercised	Balance as at 31.3.2013
Share options in the Company				
Mr. Kuah Boo Cheng @ Kuah Kwai Yoke	700,000	-	(700,000)	-
Mr. Chai Soon Too	700,000	-	(700,000)	-
Mr. Owee Geok Choon	500,000	-	(500,000)	-

	[---Number of ordinary shares of RM1.00 each---]			
	Balance as at 1.4.2012	Bought	Sold	Balance as at 31.3.2013
Shares in the ultimate holding company				
NS Pacific Sdn. Bhd.				
Direct interests :				
Mr. Cha Aku Wai @ Sia Ah Kow	8,000	-	-	8,000
Mr. Teo Ah Bah @ Teo Chuang Kwee	6,253	-	-	6,253
Mr. Kuah Boo Cheng @ Kuah Kwai Yoke	1,932	-	-	1,932
Mr. Chai Soon Too	1,725	-	-	1,725
Mr. Owee Geok Choon	300	-	-	300
Mr. Teo Yu Chin	1,410	-	-	1,410
Indirect interests :				
Mr. Cha Aku Wai @ Sia Ah Kow	5,403	-	-	5,403

By virtue of Mr. Cha Aku Wai @ Sia Ah Kow's interests in the ordinary shares of the Company and the ultimate holding company, he is also deemed to be interested in the ordinary shares of all the subsidiaries to the extent that the Company has an interest.

None of the other Directors holding office at the end of the financial year held any interest in ordinary shares and options over ordinary shares in the Company or ordinary shares, options over ordinary shares and debentures of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have 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 the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than the transactions entered into in the ordinary course of business with companies in which the Directors of the Company have substantial financial interests as disclosed in Note 35 to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate except for the share options granted pursuant to the ESOS mentioned in Note 18 to the financial statements.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

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

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

(ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.

(b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

(c) The Directors are not aware of any circumstances:

(i) which would necessitate the writing off of bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent; and

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

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

(d) In the opinion of the Directors:

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

(ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which will or may affect the abilities of the Group and of the Company to meet their obligations as and when they fall due.

(III) AS AT THE DATE OF THIS REPORT

(e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.

(f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.

(g) The Directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

DIRECTORS' REPORT

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Significant event during the financial year is disclosed in Note 40 to the financial statements.

SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Significant event subsequent to the end of the reporting period is disclosed in Note 41 to the financial statements.

ULTIMATE HOLDING COMPANY

The Directors regard NS Pacific Sdn. Bhd., a company incorporated in Malaysia as the ultimate holding company.

AUDITORS

The auditors, BDO, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors.

Cha Aku Wai @ Sia Ah Kow
Director

Teo Ah Bah @ Teo Chuang Kwee
Director

Johor Bahru
19 July 2013

DOMINANT ENTERPRISE BERHAD
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 32 to 87 have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, and the provisions of the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2013 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

In the opinion of the Directors, the information set out in Note 43 to the financial statements on page 87 has been compiled in accordance with the Guidance on Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

On behalf of the Board,

....	....
Cha Aku Wai @ Sia Ah Kow Director	Teo Ah Bah @ Teo Chuang Kwee Director

Johor Bahru
19 July 2013

STATUTORY DECLARATION

I, Cha Aku Wai @ Sia Ah Kow, being the Director primarily responsible for the financial management of Dominant Enterprise Berhad, do solemnly and sincerely declare that the financial statements set out on pages 32 to 87 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed at Johor Bahru this)
19 July 2013)

PESURUHJAYA SUMPAH
No.J1
GUBACHEN SINGH PIS
MALAYSIA
NO.8, JALAN DHOBY
80000 JOHOR BAHRU
MALAYSIA
H/P: 019-778 5445

Before me:

Cha Aku Wai @ Sia Ah Kow

INDEPENDENT
AUDITORS' REPORT
TO THE MEMBERS OF DOMINANT ENTERPRISE BERHAD (Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Dominant Enterprise Berhad, which comprise the statements of financial position as at 31 March 2013 of the Group and of the Company, and the statements of 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 32 to 87.

The financial statements of the Group and of the Company as at 31 March 2012 were audited by another firm of chartered accountants, whose report dated 20 June 2012, expressed an unqualified opinion on those statements.

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 the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 March 2013 and of the 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 all the subsidiaries of which we have not acted as auditors, which are indicated in Note 11 to the financial statements.

Report on Other Legal and Regulatory Requirements (continued)

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

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

Other Reporting Responsibilities

The supplementary information set out in Note 43 to the financial statements 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

As stated in Note 3 to the financial statements, Dominant Enterprise Berhad adopted Malaysian Financial Reporting Standards on 1 April 2012 with a transition date of 1 April 2011. These Standards were applied retrospectively by Directors to the comparative information in these financial statements, including the statements of financial position as at 31 March 2012 and 1 April 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended 31 March 2012 and related disclosures. We were not engaged to report on the restated comparative information, and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Group and of the Company for the financial year ended 31 March 2013 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 April 2012 do not contain misstatements that materially affect the financial position as of 31 March 2013 and financial performance and cash flows for the year then ended.

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.

BDO
AF : 0206
Chartered Accountants

Se Kuo Shen
2949/05/14 (J)
Chartered Accountant

Johor Bahru
19 July 2013

CONSOLIDATED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2013

DOMINANT ENTERPRISE BERHAD
(Incorporated in Malaysia)

		Group		
	Note	31.3.2013 RM	31.3.2012 RM	1.4.2011 RM
ASSETS				
Non-current Assets				
Property, plant and equipment	7	47,897,880	53,204,770	61,482,446
Investment properties	8	18,138,842	-	-
Prepaid lease payments for land	9	5,475,001	5,535,653	5,586,385
Land held for property development	10	-	10,722,000	-
Intangible assets	12	836,556	836,556	836,556
Deferred tax assets	13	22,804	22,804	22,804
		72,371,083	70,321,783	67,928,191
Current assets				
Inventories	14	79,851,286	60,092,919	74,852,164
Trade and other receivables	15	97,687,428	87,255,517	75,087,979
Current tax assets		256,322	-	313,504
Cash and cash equivalents	17	27,922,712	23,550,527	16,015,877
		205,717,748	170,898,963	166,269,524
TOTAL ASSETS		278,088,831	241,220,746	234,197,715
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital	18	67,115,740	64,567,340	62,323,440
Treasury shares	18	-	-	(913,913)
Reserves	19	92,908,374	84,407,120	74,550,097
		160,024,114	148,974,460	135,959,624
Non-controlling interests		-	-	1,678,245
TOTAL EQUITY		160,024,114	148,974,460	137,637,869
LIABILITIES				
Non-current liabilities				
Borrowings	20	5,449,058	5,119,378	5,455,906
Deferred tax liabilities	13	3,139,615	2,947,068	2,575,015
		8,588,673	8,066,446	8,030,921
Current liabilities				
Trade and other payables	24	23,780,659	22,450,744	23,027,911
Borrowings	20	84,487,144	60,206,520	64,575,265
Current tax liabilities		1,208,241	1,522,576	925,749
		109,476,044	84,179,840	88,528,925
TOTAL LIABILITIES		118,064,717	92,246,286	96,559,846
TOTAL EQUITY AND LIABILITIES		278,088,831	241,220,746	234,197,715

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

STATEMENT
OF FINANCIAL POSITION
AS AT MARCH 31, 2013

DOMINANT ENTERPRISE BERHAD
(Incorporated in Malaysia)

	Note	Company		
		31.3.2013 RM	**31.3.2012 RM**	**1.4.2011 RM**
ASSETS				
Non-current assets				
Property, plant and equipment	7	176,548	11,991	9,961
Investments in subsidiaries	11	14,089,812	14,089,812	11,492,812
		14,266,360	14,101,803	11,502,773
Current assets				
Other receivables	15	3,419	1,000	1,000
Amounts owing by subsidiaries	16	54,228,024	52,916,247	16,147,727
Current tax assets		-	-	28,938
Cash and cash equivalents	17	10,165,098	9,051,639	6,216,262
		64,396,541	61,968,886	22,393,927
TOTAL ASSETS		78,662,901	76,070,689	33,896,700
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital	18	67,115,740	64,567,340	62,323,440
Treasury shares	18	-	-	(913,913)
Reserves	19	3,679,881	2,944,340	(28,264,435)
TOTAL EQUITY		70,795,621	67,511,680	33,145,092
LIABILITIES				
Current liabilities				
Other payables	24	269,323	223,925	195,474
Amounts owing to subsidiaries	16	7,542,148	8,314,502	556,134
Borrowings	20	-	3,685	-
Current tax liabilities		55,809	16,897	-
		7,867,280	8,559,009	751,608
TOTAL LIABILITIES		7,867,280	8,559,009	751,608
TOTAL EQUITY AND LIABILITIES		78,662,901	76,070,689	33,896,700

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

STATEMENTS
OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

DOMINANT ENTERPRISE BERHAD
(Incorporated in Malaysia)

		Group		Company	
	Note	2013 RM	2012 RM	2013 RM	2012 RM
Revenue	26	416,228,778	371,872,185	8,324,111	47,210,650
Finance income	27	589,410	428,152	312,321	245,174
Other operating income		971,077	1,361,632	112,936	180,641
Changes in inventories of work-in-progress and finished goods		(303,716,274)	(258,093,430)	-	-
Raw materials and consumables used		(61,351,813)	(58,209,936)	-	-
Employee benefits	28	(15,667,847)	(13,889,306)	(605,118)	(427,450)
Directors' remuneration	29	(3,886,616)	(4,842,016)	(216,500)	(215,500)
Depreciation of property, plant and equipment		(1,976,723)	(2,012,595)	(13,175)	(1,115)
Amortisation of prepaid lease payments for land		(175,343)	(134,581)	-	-
Other operating expenses		(9,143,916)	(9,310,231)	(354,509)	(377,582)
Finance costs	30	(3,234,759)	(3,329,188)	-	-
Profit before tax	31	18,635,974	23,840,686	7,560,066	46,614,818
Tax expense	32	(4,600,017)	(5,989,970)	(171,938)	(6,579,000)
Profit for the financial year		14,035,957	17,850,716	7,388,128	40,035,818
Other comprehensive income, net of tax:					
Gain on revaluation of property, plant and equipment		778,215	935,732	-	-
Foreign currency translations		339,669	316,373	-	-
Other comprehensive income		1,117,884	1,252,105	-	-
Total comprehensive income		15,153,841	19,102,821	7,388,128	40,035,818
Profit attributable to:					
Owners of the parent		14,035,957	17,669,716	7,388,128	40,035,818
Non-controlling interests		-	181,000	-	-
		14,035,957	17,850,716	7,388,128	40,035,818
Total comprehensive income attributable to:					
Owners of the parent		15,153,841	18,921,821	7,388,128	40,035,818
Non-controlling interests		-	181,000	-	-
		15,153,841	19,102,821	7,388,128	40,035,818
Earnings per ordinary share attributable to owners of the parent (sen)	34				
- Basic		10.58	14.03		
- Diluted		10.48	13.89		

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

CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY

DOMINANT ENTERPRISE BERHAD
(Incorporated in Malaysia)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

		[------Non-distributable				------]	Distributable			
Group	Note	Share capital RM	Treasury shares RM	Share premium RM	Revaluation reserve RM	Exchange translation reserve RM	Retained earnings RM	Total RM	Non-controlling Interests RM	Total equity RM
Balance at 1 April 2011		62,323,440	(913,913)	198,006	19,696,452	1,635,668	53,019,971	135,959,624	1,678,245	137,637,869
Profit for the financial year		-	-	-	-	-	17,669,716	17,669,716	181,000	17,850,716
Gain on revaluation of property, plant and equipment		-	-	-	935,732	-	-	935,732	-	935,732
Foreign currency translations		-	-	-	-	316,373	-	316,373	-	316,373
Total comprehensive income		-	-	-	935,732	316,373	17,669,716	18,921,821	181,000	19,102,821
Transactions with owners										
Acquisition of shares in a subsidiary		-	-	-	-	-	(237,755)	(237,755)	(1,859,245)	(2,097,000)
Dividends paid	33	-	-	-	-	-	(8,916,635)	(8,916,635)	-	(8,916,635)
Ordinary shares issued pursuant to ESOS	18	2,243,900	-	8,794	-	-	-	2,252,694	-	2,252,694
Resale of treasury shares	18(d)	-	913,913	80,798	-	-	-	994,711	-	994,711
Total transactions with owners		2,243,900	913,913	89,592	-	-	(9,154,390)	(5,906,985)	(1,859,245)	(7,766,230)
Balance at 31 March 2012		64,567,340	-	287,598	20,632,184	1,952,041	61,535,297	148,974,460	-	148,974,460

		[------Non-distributable			------]	Distributable	
Group	Note	Share capital RM	Share premium RM	Revaluation reserve RM	Exchange translation reserve RM	Retained earnings RM	Total equity RM
Balance at 1 April 2012		64,567,340	287,598	20,632,184	1,952,041	61,535,297	148,974,460
Profit for the financial year		-	-	-	-	14,035,957	14,035,957
Gain on revaluation of properties		-	-	778,215	-	-	778,215
Foreign currency translations		-	-	-	339,669	-	339,669
Total comprehensive income		-	-	778,215	339,669	14,035,957	15,153,841
Transactions with owners							
Ordinary shares issued pursuant to ESOS	18	2,548,400	13,076	-	-	-	2,561,476
Dividends paid	33	-	-	-	-	(6,665,663)	(6,665,663)
Total transactions with owners		2,548,400	13,076	-	-	(6,665,663)	(4,104,187)
Balance at 31 March 2013		67,115,740	300,674	21,410,399	2,291,710	68,905,591	160,024,114

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

STATEMENT
OF CHANGES IN EQUITY

DOMINANT ENTERPRISE BERHAD
(Incorporated in Malaysia)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

		[----------------Non-distributable	----------------	----------------]	Distributable	
Company	Note	Share capital RM	Treasury shares RM	Share premium RM	Retained earnings RM	Total equity RM
Balance at 1 April 2011		62,323,440	(913,913)	198,006	(28,462,441)	33,145,092
Profit for the financial year		-	-	-	40,035,818	40,035,818
Total comprehensive income		-	-	-	40,035,818	40,035,818
Transactions with owners						
Ordinary shares issued pursuant to ESOS	18	2,243,900	-	8,794	-	2,252,694
Dividends paid	33	-	-	-	(8,916,635)	(8,916,635)
Resale of treasury shares	18(d)	-	913,913	80,798	-	994,711
Total transactions with owners		2,243,900	913,913	89,592	(8,916,635)	(5,669,230)
Balance at 31 March 2012		64,567,340	-	287,598	2,656,742	67,511,680
Balance at 1 April 2012		64,567,340	-	287,598	2,656,742	67,511,680
Profit for the financial year		-	-	-	7,388,128	7,388,128
Total comprehensive income		-	-	-	7,388,128	7,388,128
Transactions with owners						
Ordinary shares issued pursuant to ESOS	18	2,548,400	-	13,076	-	2,561,476
Dividends paid	33	-	-	-	(6,665,663)	(6,665,663)
Total transactions with owners		2,548,400	-	13,076	(6,665,663)	(4,104,187)
Balance at 31 March 2013		67,115,740	-	300,674	3,379,207	70,795,621

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

DOMINANT ENTERPRISE BERHAD
(Incorporated in Malaysia)

		Group		Company	
	Note	2013 RM	2012 RM	2013 RM	2012 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		18,635,974	23,840,686	7,560,066	46,614,818
Adjustments for:					
Amortisation of prepaid lease payments for land	9	175,343	134,581	-	-
Bad debts written off		-	26,566	-	-
Depreciation of property, plant and equipment	7	1,976,723	2,012,595	13,175	1,115
Dividend income	26	-	-	(7,242,325)	(46,127,426)
Gain on disposal of property, plant and equipment		(138,217)	(59,014)	(92,999)	-
Impairment losses on trade and other receivables	15(d)	181,147	129,176	-	-
Interest expense	30	3,234,759	3,329,188	-	-
Interest income	27	(589,410)	(428,152)	(312,321)	(245,174)
Interest received on late payment		(30,057)	(39,305)	-	-
Inventories written down		54,068	150,000	-	-
Property, plant and equipment written off	7	35,475	50,734	-	-
Reversal of impairment losses on trade receivables	15(d)	(62,268)	(441,224)	-	-
Unrealised gain on foreign exchange		(34,439)	(181,706)	(19,937)	(180,641)
Operating profit/(loss) before working capital changes		23,439,098	28,524,125	(94,341)	62,692
Changes in working capital:					
Inventories		(19,691,650)	14,986,386	-	-
Trade and other receivables		(10,407,960)	(11,693,733)	(2,419)	28,451
Trade and other payables		1,306,112	(627,611)	45,398	-
Cash (used in)/ generated from operations		(5,354,400)	31,189,167	(51,362)	91,143
Interest received		30,057	39,305	-	-
Interest paid		(118,749)	(480,389)	-	-
Tax paid		(5,152,803)	(5,159,567)	(133,026)	(101,496)
Tax refunded		10,343	270,768	-	-
Net cash (used in)/ from operating activities		(10,585,552)	25,859,284	(184,388)	(10,353)

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

STATEMENTS
OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2013

DOMINANT ENTERPRISE BERHAD
(Incorporated in Malaysia)

		Group		Company	
	Note	2013 RM	2012 RM	2013 RM	2012 RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Additions to land held for property development	10	(157,580)	-	-	-
Acquisitions of:					
- additional interest in a subsidiary	11	-	(2,097,000)	-	(2,097,000)
- subsidiary for cash, net of cash acquired	11	-	-	-	(500,000)
Dividends received from subsidiaries		-	-	7,242,325	39,695,757
Interest received		589,410	428,152	312,321	245,174
Proceeds from disposal of property, plant and equipment		158,500	60,745	93,000	-
Purchase of property, plant and equipment	7	(2,944,058)	(3,089,870)	(177,733)	(3,145)
Net advances to subsidiaries		-	-	(2,064,194)	(28,829,511)
Net cash (used in)/from investing activities		(2,353,728)	(4,697,973)	5,405,719	8,511,275
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid	33	(6,665,663)	(8,916,635)	(6,665,663)	(8,916,635)
Interest paid		(3,116,010)	(2,848,799)	-	-
Proceeds from issuance of ordinary shares	18	2,561,476	2,252,694	2,561,476	2,252,694
Drawdowns of term loans		1,782,227	819,096	-	-
Resale of treasury shares		-	994,711	-	994,711
Repayments of					
- term loans		(1,174,636)	(1,202,374)	-	-
- finance lease payables		(58,787)	(54,759)	-	-
- hire purchase payables		(118,863)	(161,124)	-	-
Net drawdowns/(repayments) of short-term borrowings		25,135,199	(4,213,556)	-	-
Net cash from/(used in) financing activities		18,344,943	(13,330,746)	(4,104,187)	(5,669,230)
Net increase in cash and cash equivalents		5,405,663	7,830,565	1,117,144	2,831,692
Cash and cash equivalents at beginning of financial year		21,102,276	13,318,979	9,047,954	6,216,262
Effects of exchange rate fluctuations on cash and cash equivalents		40,889	(47,268)	-	-
Cash and cash equivalents at end of financial year	17(c)	26,548,828	21,102,276	10,165,098	9,047,954

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

1. CORPORATE INFORMATION

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

The registered office of the Company is located at Suite 1301, 13th Floor, City Plaza, Jalan Tebrau, 80300 Johor Bahru, Johor, Malaysia.

The principal place of business of the Company is located at No.2, Jalan Gemilang 1, Taman Perindustrian Maju Jaya, Mukim Tebrau, 81300 Johor Bahru, Johor, Malaysia.

The consolidated financial statements for the financial year ended 31 March 2013 comprise the Company and its subsidiaries. These financial statements are presented in Ringgit Malaysia ('RM'), which is also the Company's functional currency.

These financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 19 July 2013.

2. PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding and providing management services. The principal activities of the subsidiaries are set out in Note 11 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 and of the Company set out on pages 32 to 87 have been prepared in accordance with Malaysian Financial Reporting Standards ('MFRSs'), International Financial Reporting Standards ('IFRSs') and the provisions of the Companies Act 1965 in Malaysia.

These are the Group's and the Company's first financial statements prepared in accordance with MFRSs, and MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards* has been applied. In the previous financial years, the financial statements of the Group and of the Company were prepared in accordance with Financial Reporting Standards ('FRSs') in Malaysia.

The Group and the Company have consistently applied the same accounting policies in its opening MFRS statements of financial position as at 1 April 2011 and throughout all financial years presented, as if these policies had always been in effect. Note 42 to the financial statements discloses the impact of the transition to MFRS on the Group's and Company's reported financial position, financial performance and cash flows for the financial year then ended.

However, Note 43 to the financial statements set out on page 94 has been 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 ('MIA Guidance') and the directive of Bursa Malaysia Securities Berhad.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The preparation of financial statements in conformity with MFRSs requires the Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and contingent liabilities. In addition, the Directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 6 to the financial statements. Although these estimates and assumptions are based on the Directors' best knowledge of events and actions, actual results could differ from those estimates.

4.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries. Subsidiaries are entities (including special purposes entities) over which the Company has the power to govern the financial operating policies, generally accompanied by a shareholding giving rise to the majority of the voting rights, as to obtain benefits from their activities.

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 balances, transactions, income and expenses are eliminated on consolidation. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no impairment.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the other entities in the Group.

Non-controlling interests represents the equity in subsidiaries that are not attributable, directly or indirectly, to owners of the Company, and is presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent 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.

Components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are initially measured at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests shall be measured at their acquisition-date fair value, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. 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 and attributed to owners of the parent.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Basis of consolidation (continued)

When the Group loses control of a subsidiary, the profit or loss on disposal 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; and

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

Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. 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 *Financial Instruments: Recognition and Measurement* or, where applicable, the cost on initial recognition of an investment in associate or jointly controlled entity.

4.3 Business combinations

Business combinations from 1 April 2011 onwards

Business combinations are accounted for by applying the acquisition method of accounting.

Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured at their fair value at the acquisition date, except that:

(a) deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with MFRS 112 *Income Taxes* and MFRS 119 *Employee Benefits* respectively;

(b) liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement by the Group of an acquiree's share-based payment transactions are measured in accordance with MFRS 2 *Share-based Payment* at the acquisition date; and

(c) assets (or disposal groups) that are classified as held for sale in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the serviced are received.

Any contingent consideration payable is recognised at fair value at the acquisition date. Measurement period adjustments to contingent consideration are dealt with as follows:

(a) If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity.

(b) Subsequent changes to contingent consideration classified as an asset or liability that is a financial instrument within the scope of MFRS 139 are recognised either in profit or loss or in other comprehensive income in accordance with MFRS 139. All other subsequent changes are recognised in profit or loss.

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

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree net identifiable assets.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.3 Business combinations (continued)

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), 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 is recorded as goodwill in the statement of financial position. The accounting policy for goodwill is set out in Note 4.8 to the financial statements. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

Business combinations before 1 April 2011

As part of its transition to MFRSs, the Group elected not to restate those business combinations that occurred before the date of transition to MFRSs, i.e. 1 April 2011. Goodwill represents the amount recognised under the previous FRS Framework in respect of acquisitions prior to 1 April 2011.

4.4 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

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.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has different useful life, is depreciated separately.

After initial recognition, property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and any accumulated impairment losses. Freehold land and buildings are stated at valuation, which is the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Freehold land and buildings are revalued with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. The surplus arising from such revaluations is credited to shareholders' equity as a revaluation reserve, net of deferred tax, if any, and any subsequent deficit is offset against such surplus to the extent of a previous increase for the same property. In all other cases, the deficit would be charged to profit or loss. For a revaluation increase subsequent to a revaluation deficit of the same asset, the surplus is recognised as income to the extent that it reverses the deficit previously recognised as an expense with the balance of increase credited to revaluation reserve.

Depreciation is calculated to write off the cost of the assets to their residual values on a straight line basis over their estimated useful lives. The principal depreciation periods and rates are as follows:

Buildings	1.8% - 2%
Plant and machineries	10%
Motor vehicles and forklifts	10% - 20%
Electrical fittings and installations	10%
Office equipment, furniture and fittings	5% - 10%
Stores, cabin and renovations	10%

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 Property, plant and equipment and depreciation (continued)

Freehold land has unlimited useful life and is not depreciated. Construction-in-progress comprises a warehouse under construction and is not depreciated until such time when the asset is available for use.

At the end of each reporting period, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see Note 4.9 to the financial statements on impairment of non-financial assets).

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss and the revaluation surplus related to those assets, if any, is transferred directly to retained earnings.

4.5 Leases

(a) Finance leases and hire purchase

Assets acquired under finance leases and hire purchase which transfer substantially all the risks and rewards of ownership to the Group are recognised initially at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the leases, if this is practicable to determine; if not, the Group's incremental borrowing rate is used. Any initial direct costs incurred by the Group are added to the amount recognised as an asset. The assets are capitalised as property, plant and equipment and the corresponding obligations are treated as liabilities. The property, plant and equipment capitalised are depreciated on the same basis as owned assets.

The minimum lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charges are recognised in profit and loss over the period of the lease term so as to produce a constant periodic rate of interest on the remaining lease liabilities.

(b) Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.

(c) Leases of land and buildings

For leases of land and buildings, the land and buildings elements are considered separately for the purpose of lease classification and these leases are classified as operating or finance leases in the same way as leases of other assets.

The minimum lease payments including any lump-sum upfront payments made to acquire the interest in the land and buildings are allocated between the land and the buildings elements in proportion to the relative fair value of the leasehold interests in the land element and the buildings element of the lease at the inception of the lease.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 Leases (continued)

(c) Leases of land and buildings (continued)

For a lease of land and buildings in which the amount that would initially be recognised for the land element is immaterial, the land and buildings are treated as a single unit for the purpose of lease classification and is accordingly classified as a finance or operating lease. In such a case, the economic life of the buildings is regarded as the economic life of the entire leased asset.

4.6 Investment properties

Investment properties are properties which are held to earn rental yields or for capital appreciation or for both and are not occupied by the Group. Investment properties are initially measured at cost, which includes transaction costs. After initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Investment properties are derecognised when either they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The gains or losses arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset and is recognised in profit or loss in the period of the retirement or disposal.

4.7 Investments

Subsidiaries

A subsidiary is an entity in which the Group and the Company have power to control the financial and operating policies so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

An investment in subsidiary, which is eliminated on consolidation, is stated in the Company's separate financial statements at cost. Put options written over non-controlling interests on the acquisition of subsidiary shall be included as part of the cost of investment in the Company's separate financial statements. Subsequent changes in the fair value of the written put options over non-controlling interests shall be recognised in profit or loss. Investments accounted for at cost shall be accounted for in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* when they are classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with MFRS 5.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the Group would derecognise all assets, liabilities and non-controlling interests at their carrying amount and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

4.8 Intangible assets

Goodwill

Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 Intangible assets (continued)

Goodwill (continued)

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. Goodwill is not amortised but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount could be impaired. Objective events that would trigger a more frequent impairment review include adverse industry or economic trends, significant restructuring actions, significantly lowered projections of profitability, or a sustained decline in the acquiree's market capitalisation. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill arising on acquisition of an associate is the excess of cost of investment over the Group's share of the net fair value of net assets of the associates' identifiable assets, liabilities and contingent liabilities at the date of acquisition.

Goodwill relating to the associate is included in the carrying amount of the investment and is not amortised. The excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of investment is included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

4.9 Impairment of non-financial assets

The carrying amount of assets, except for financial assets (excluding investments in subsidiaries), inventories and deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Goodwill that has an indefinite useful life are tested annually for impairment or more frequently if events or changes in circumstances indicate that the goodwill or intangible asset might be impaired.

The recoverable amount of an asset is estimated for an individual asset. Where it is not possible to estimate the recoverable amount of the individual asset, the impairment test is carried out on the cash generating unit ('CGU') to which the asset belongs. Goodwill acquired in a business combination is from the acquisition date, allocated to each of the Group's CGU or groups of CGU that are expected to benefit from the synergies of the combination giving rise to the goodwill irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

Goodwill acquired in a business combination shall be tested for impairment as part of the impairment testing of CGU to which it relates. The CGU to which goodwill is allocated shall represent the lowest level within the Group at which the goodwill is monitored for internal management purposes and not lager than an operating segment determined in accordance with MFRS 8 *Operating Segments*.

The recoverable amount of an asset or CGU is the higher of its fair value less cost to sell and its value-in-use.

In estimating the value-in-use, the estimated future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. An impairment loss is recognised in profit or loss when the carrying amount of the asset or the CGU, including the goodwill or intangible asset, exceeds the recoverable amount of the asset or the CGU. The total impairment loss is allocated, first, to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on a pro-rata basis of the carrying amount of each asset in the CGU.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.9 Impairment of non-financial assets (continued)

The impairment loss is recognised in profit or loss immediately except for the impairment on a revalued asset where the impairment loss is recognised directly against the revaluation reserve to the extent of the surplus credited from the previous revaluation for the same asset with the excess of the impairment loss charged to profit or loss.

An impairment loss on goodwill is not reversed in subsequent periods. An impairment loss for other assets is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Such reversals are recognised as income immediately in profit or loss except for the reversal of an impairment loss on a revalued asset where the reversal of the impairment loss is treated as a revaluation increase and credited to the revaluation reserve account of the same asset. However, to the extent that an impairment loss in the same revalued asset was previously recognised in profit or loss, a reversal of that impairment loss is also recognised in profit or loss.

4.10 Inventories

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

Cost is determined using the first-in, first-out formula.The cost of raw materials comprises all cost of purchase plus the cost of bringing the inventories to their present location and condition.The cost of work-in-progress and finished goods includes the cost of raw materials, direct labour,other direct cost and a proportion of production overheads based on normal operating capacity of the production facilities.

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

4.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, an equity instrument of another enterprise, a contractual right to receive cash or another financial asset from another enterprise, or a contractual right to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially favourable to the Group.

A financial liability is any liability that is a contractual obligation to deliver cash or other financial asset to another enterprise, or a contractual obligation to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially unfavourable to the Group.

Financial instruments are recognised on the statement of financial position when the Group has become a party to the contractual provisions of the instrument. At initial recognition, a financial instrument is recognised at fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issuance of the financial instrument.

An embedded derivative is separated from the host contract and accounted for as a derivative if, and only if the economic characteristics and risks of the embedded derivative is not closely related to the economic characteristics and risks of the host contract, a separate instrument with the same terms as the embedded derivative meets the definition of a derivative, and the hybrid instrument is not measured at fair value through profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.11 Financial instruments (continued)

(a) Financial assets

A financial asset is classified into the following four (4) categories after initial recognition for the purpose of subsequent measurement:

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

Financial assets at fair value through profit or loss comprise financial assets that are held for trading (i.e. financial assets acquired principally for the purpose of resale in the near term), derivatives (both, freestanding and embedded) and financial assets that were specifically designated into this classification upon initial recognition.

Subsequent to initial recognition, financial assets classified as at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in the fair value of financial assets classified as at fair value through profit or loss are recognised in profit or loss. Net gains or losses on financial assets classified as at fair value through profit or loss exclude foreign exchange gains and losses, interest and dividend income. Such income is recognised separately in profit or loss as components of other income or other operating losses.

However, derivatives that is linked to and must be settled by delivery of unquoted equity instruments that do not have a quoted market price in an active market are recognised at cost.

(ii) Held-to-maturity investments

Financial assets classified as held-to-maturity comprise non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity.

Subsequent to initial recognition, financial assets classified as held-to-maturity are measured at amortised cost using the effective interest method. Gains or losses on financial assets classified as held-to-maturity are recognised in profit or loss when the financial assets are derecognised or impaired, and through the amortisation process.

(iii) Loans and receivables

Financial assets classified as loans and receivables comprise non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

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

(iv) Available-for-sale financial assets

Financial assets classified as available-for-sale comprise non-derivative financial assets that are designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

Subsequent to initial recognition, financial assets classified as available-for-sale are measured at fair value. Any gains or losses arising from changes in the fair value of financial assets classified as available-for-sale are recognised directly in other comprehensive income, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised, at which time the cumulative gains or losses previously recognised in other comprehensive income are recognised in profit or loss. However, interest calculated using the effective interest method is recognised in profit or loss whilst dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payment is established.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.11 Financial instruments (continued)

Cash and cash equivalents include cash and bank balances, bank overdrafts, deposits and other short term, highly liquid investments with original maturities of three (3) months or less, which are readily convertible to cash and are subject to insignificant risk of changes in value.

A financial asset is derecognised when the contractual right to receive cash flows from the financial asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised directly in other comprehensive income shall be recognised in profit or loss.

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or marketplace convention. A regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using trade date accounting.

(b) Financial liabilities

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. A financial liability is classified into the following two (2) categories after initial recognition for the purpose of subsequent measurement:

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

Financial liabilities at fair value through profit or loss comprise financial liabilities that are held for trading, derivatives (both, freestanding and embedded) and financial liabilities that were specifically designated into this classification upon initial recognition.

Subsequent to initial recognition, financial liabilities classified as at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in the fair value of financial liabilities classified as at fair value through profit or loss are recognised in profit or loss. Net gains or losses on financial liabilities classified as at fair value through profit or loss exclude foreign exchange gains and losses, interest and dividend income. Such income is recognised separately in profit or loss as components of other income or other operating losses.

(ii) Other financial liabilities

Financial liabilities classified as other financial liabilities comprise non-derivative financial liabilities that are neither held for trading nor initially designated as at fair value through profit or loss.

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains or losses on other financial liabilities are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

A financial liability is derecognised when, and only when, it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expires. An exchange between an existing borrower and lender of debt instruments with substantially different terms are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Any difference between the carrying amount of a 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. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.11 Financial instruments (continued)

(b) Financial liabilities (continued)

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

The Group designates corporate guarantees given to banks for credit facilities granted to subsidiaries as insurance contracts as defined in MFRS 4 *Insurance Contracts*. The Group recognises these insurance contracts as recognised insurance liabilities when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

At the end of every reporting period, the Group assesses whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If this assessment shows that the carrying amount of the insurance liabilities is inadequate, the entire deficiency shall be recognised in profit or loss.

Recognised insurance liabilities are only removed from the statement of financial position when, and only when, it is extinguished via a discharge, cancellation or expiration.

(c) Equity

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are classified as equity instruments.

Ordinary shares are recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit. Otherwise, they are charged to profit or loss.

Interim dividends to shareholders are recognised in equity in the period in which they are declared. Final dividends are recognised upon the approval of shareholders in a general meeting.

The Group measures a liability to distribute non-cash assets as a dividend to the owners of the Company at the fair value of the assets to be distributed. The carrying amount of the dividend is remeasured at the end of each reporting period and at the settlement date, with any changes recognised directly in equity as adjustments to the amount of the distribution. On settlement of the transaction, the Group recognises the difference, if any, between the carrying amount of the assets distributed and the carrying amount of the liability in profit or loss.

When the Group repurchases its own shares, the shares repurchased would be accounted for using the treasury stock method.

Where the treasury stock method is applied, the shares repurchased and held as treasury shares shall be measured and carried at the cost of repurchase on initial recognition and subsequently. It shall not be revalued for subsequent changes in the fair value or market price of the shares.

The carrying amount of the treasury shares shall be offset against equity in the statement of financial position. To the extent that the carrying amount of the treasury shares exceeds the share premium account, it shall be considered as a reduction of any other reserves as may be permitted by the Main Market Listing Requirements.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the own equity instruments of the Company. If such shares are issued by resale, any difference between the sales consideration and the carrying amount is shown as a movement in equity.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Impairment of financial assets

The Group assesses whether there is any objective evidence that a financial asset is impaired at the end of each reporting period.

Loans and receivables

The Group collectively considers factors such as the probability of bankruptcy or significant financial difficulties of the receivable, and default or significant delay in payments to determine whether there is objective evidence that an impairment loss on loans and receivables has occurred. Other objective evidence of impairment include historical collection rates determined on an individual basis and observable changes in national or local economic conditions that are directly correlated with the historical default rates of receivables.

If any such objective evidence exists, the amount of impairment loss is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of loans and receivables is reduced through the use of an allowance account.

If in a subsequent period, the amount of the impairment loss decreases and it objectively relates to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of impairment reversed is recognised in profit or loss.

4.13 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualified asset is capitalised as part of the cost of the asset until when substantially all the activities necessary to prepare the asset for its intended use or sale are complete, after which such expense is charged to profit or loss. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing cost is suspended during extended periods in which active development is interrupted.

The amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on the borrowing during the period less any investment income on the temporary investment of the borrowing.

All other borrowing cost is recognised in profit or loss in the period in which they are incurred.

4.14 Income taxes

Income taxes include all domestic and foreign taxes on taxable profit. Income taxes also include other taxes, such as withholding taxes, which are payable by foreign subsidiaries on distributions to the Group and Company, and real property gains taxes payable on disposal of properties.

Taxes in the statement of comprehensive income comprise current tax and deferred tax.

(a) Current tax

Current tax expenses are determined according to the tax laws of each jurisdiction in which the Group operates and include all taxes based upon the taxable profits (including withholding taxes payable by foreign subsidiaries on distribution of retained earnings to companies in the Group), and real property g ains taxes payable on disposal of properties.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.14 Income taxes (continued)

(b) Deferred tax

Deferred tax is recognised in full using the liability method on temporary differences arising between the carrying amount of an asset or liability in the statement of financial position and its tax base.

Deferred tax is recognised for all temporary differences, unless the deferred tax arises from goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit.

A deferred tax asset is recognised only 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 amount of a deferred tax asset is reviewed at the end of each reporting period. If it is no longer probable that sufficient taxable profits will be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient taxable profits will be available, such reductions will be reversed to the extent of the taxable profits.

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

(i) the same taxable entity; or

(ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax would be recognised as income or expense and included in the profit or loss for the period unless the tax relates to items that are credited or charged, in the same or a different period, directly to equity, in which case the deferred tax will be charged or credited directly to equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on the announcement of tax rates and tax laws by the Government in the annual budgets which have the substantial effect of actual enactment by the end of the reporting period.

4.15 Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

If the effect of the time value of money is material, the amount of a provision would be discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits would be required to settle the obligation, the provision would be reversed.

Provisions are not recognised for future operating losses. If the Group has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.16 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but disclose its existence where inflows of economic benefits are probable, but not virtually certain.

In the acquisition of subsidiaries by the Group under business combinations, contingent liabilities assumed are measured initially at their fair value at the acquisition date.

4.17 Employee benefits

(a) Short term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are measured on an undiscounted and are expensed when employees have rendered their services to the Group.

Short term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur and they lapse if he current periods entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement on leaving the Group.

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

(b) Defined contribution plans

The Company and its subsidiaries incorporated in Malaysia make contributions to a statutory provident fund and foreign subsidiaries make contributions to their respective countries' statutory pension schemes. The contributions are recognised as a liability after deducting any contribution already paid and as an expense in the period in which the employees render their services.

(c) Share-based payments

The Group operates an equity-settled, share-based compensation plan, under which the Group receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense.

The total amount to be expensed is determined by reference to the fair value of the options granted including any market performance conditions but excluding the impact of any non-market performance and service vesting conditions.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.17 Employee benefits (continued)

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

In addition, in some circumstances employees could provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. The Group recognises the impact of the revision to original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

If the options are exercised, the Company issues new shares to the employees. The proceeds received, net of any directly attributable transaction costs are recognised in ordinary share capital at nominal value, and any excess would be recognised in share premium.

4.18 Foreign currencies

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(b) Foreign currency translations and balances

Transactions in foreign currencies are converted into functional currency at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies at the end of the reporting period are translated into functional currency at rates of exchange ruling at that date. All exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in profit or loss in the period in which they arise. Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rate as of the date of acquisition, and non-monetary items, which are carried at fair value are translated using the exchange rate that existed when the values were determined for presentation currency purposes.

(c) Foreign operations

Financial statements of foreign operations are translated at end of the reporting period exchange rates with respect to their assets and liabilities, and at exchange rates at the dates of the transactions with respect to the statement of comprehensive income. All resulting translation differences are recognised as a separate component of equity.

In the consolidated financial statements, exchange differences arising from the translation of net investment in foreign operations are taken to equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in profit or loss as part of the gain or loss on disposal.

Exchange differences arising on a monetary item that forms part of the net investment of the Company in a foreign operation shall be recognised in profit or loss in the separate financial statements of the Company or the foreign operation, as appropriate. In the consolidated financial statements, such exchange differences shall be recognised initially as a separate component of equity and recognised in profit or loss upon disposal of the net investment.

Goodwill and fair value adjustments to the assets and liabilities arising from the acquisition of a foreign operation are treated as assets and liabilities of the acquired entity and translated at the exchange rate ruling at the end of the reporting period.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.19 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivables, net of discounts and rebates.

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction would flow to the Group, and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be reliably measured and specific recognition criteria have been met for each of the Group's activities as follows:

(a) Sale of goods

Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods has been transferred to the customer and where the Group retains neither continuing managerial involvement over the goods, which coincides with the delivery of goods and services and acceptance by customers.

(b) Management fee

Management fee from rendering of services is recognised when the services are rendered to the subsidiaries.

(c) Interest income

Interest income is recognised as it accrues, using the effective interest method.

(d) Rental income

Rental income are recognised on an accrual basis.

(e) Dividend income

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

4.20 Operating segments

Operating segments are defined as components of the Group that:

(a) Engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group);

(b) Whose operating results are regularly reviewed by the Group's chief operating decision maker (i.e. the Group's Chief Executive Officer) in making decisions about resources to be allocated to the segment and assessing its performance; and

(c) For which discrete financial information is available.

An operating segment may engage in business activities for which it has yet to earn revenues.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.20 Operating segments (continued)

The Group reports separately information about each operating segment that meets any of the following quantitative thresholds:

(a) Its reported revenue, including both sales to external customers and intersegment sales or transfers, is ten (10) per cent or more of the combined revenue, internal and external, of all operating segments.

(b) The absolute amount of its reported profit or loss is ten (10) per cent or more of the greater, in absolute amount of:

(i) The combined reported profit of all operating segments that did not report a loss; and

(ii) The combined reported loss of all operating segments that reported a loss.

(c) Its assets are ten (10) per cent or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

Total external revenue reported by operating segments shall constitute at least seventy five (75) percent of the Group's revenue. Operating segments identified as reportable segments in the current financial year in accordance with the quantitative thresholds would result in a restatement of prior period segment data for comparative purposes.

4.21 Earnings per share

(a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

(b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

5. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

5.1 New MFRSs adopted during the current financial year

The Group and Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ('MASB') during the financial year.

Title	Effective Date
MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards*	1 January 2012
MFRS 2 *Share-based Payment*	1 January 2012
MFRS 3 *Business Combinations*	1 January 2012
MFRS 4 *Insurance Contracts*	1 January 2012
MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*	1 January 2012
MFRS 6 *Exploration for and Evaluation of Mineral Resources*	1 January 2012
MFRS 7 *Financial Instruments: Disclosures*	1 January 2012
MFRS 8 *Operating Segments*	1 January 2012
MFRS 101 *Presentation of Financial Statements*	1 January 2012
MFRS 102 *Inventories*	1 January 2012
MFRS 107 *Statement of Cash Flows*	1 January 2012
MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*	1 January 2012
MFRS 110 *Events After the Reporting Period*	1 January 2012
MFRS 111 *Construction Contacts*	1 January 2012
MFRS 112 *Income Taxes*	1 January 2012
MFRS 116 *Property, Plant and Equipment*	1 January 2012
MFRS 117 *Leases*	1 January 2012
MFRS 118 *Revenue*	1 January 2012
MFRS 119 *Employee Benefits*	1 January 2012
MFRS 120 *Accounting for Government Grants and Disclosure of Government Assistance*	1 January 2012
MFRS 121 *The Effects of Changes in Foreign Exchange Rates*	1 January 2012
MFRS 123 *Borrowing Costs*	1 January 2012
MFRS 124 *Related Party Disclosures*	1 January 2012
MFRS 126 *Accounting and Reporting by Retirement Benefit Plans*	1 January 2012
MFRS 127 *Consolidated and Separate Financial Statements*	1 January 2012
MFRS 128 *Investments in Associates*	1 January 2012
MFRS 129 *Financial Reporting in Hyperinflationary Economies*	1 January 2012
MFRS 131 *Interests in Joint Ventures*	1 January 2012
MFRS 132 *Financial Instruments: Presentation*	1 January 2012
MFRS 133 *Earnings Per Share*	1 January 2012
MFRS 134 *Interim Financial Reporting*	1 January 2012
MFRS 136 *Impairment of Assets*	1 January 2012
MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets*	1 January 2012
MFRS 138 *Intangible Assets*	1 January 2012
MFRS 139 *Financial Instruments: Recognition and Measurement*	1 January 2012
MFRS 140 *Investment Property*	1 January 2012
MFRS 141 *Agriculture*	1 January 2012

5. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (continued)

5.1 New MFRSs adopted during the current financial year (continued)

Title	Effective Date
Improvements to MFRSs (2008)	1 January 2012
Improvements to MFRSs (2009)	1 January 2012
Improvements to MFRSs (2010)	1 January 2012
IC Interpretation 1 *Changes in Existing Decommissioning, Restoration and Similar Liabilities*	1 January 2012
IC Interpretation 2 *Members' Shares in Co-operative Entities and Similar Instruments*	1 January 2012
IC Interpretation 4 *Determining Whether an Arrangement Contains a Lease*	1 January 2012
IC Interpretation 5 *Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds*	1 January 2012
IC Interpretation 6 *Liabilities Arising from Participating in a Specific Market-Waste Electrical and Electronic Equipment*	1 January 2012
IC Interpretation 7 *Applying the Restatement Approach under MFRS 129 Financial Reporting in Hyper inflationary Economies*	1 January 2012
IC Interpretation 9 *Reassessment of Embedded Derivatives*	1 January 2012
IC Interpretation 10 *Interim Financial Reporting and Impairment*	1 January 2012
IC Interpretation 12 *Service Concession Arrangements*	1 January 2012
IC Interpretation 13 *Customer Loyalty Programmes*	1 January 2012
IC Interpretation 14 *MFRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*	1 January 2012
IC Interpretation 15 *Agreements for the Construction of Real Estate*	1 January 2012
IC Interpretation 16 *Hedges of a Net Investment in a Foreign Operation*	1 January 2012
IC Interpretation 17 *Distributions of Non-cash Assets to Owners*	1 January 2012
IC Interpretation 18 *Transfers of Assets from Customers*	1 January 2012
IC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments*	1 January 2012
IC Interpretation 107 *Introduction of the Euro*	1 January 2012
IC Interpretation 110 *Government Assistance - No Specific Relation to Operating Activities*	1 January 2012
IC Interpretation 112 *Consolidation - Special Purpose Entities*	1 January 2012
IC Interpretation 113 *Jointly Controlled Entities - Non-Monetary Contributions by Venturers*	1 January 2012
IC Interpretation 115 *Operating Leases - Incentives*	1 January 2012
IC Interpretation 125 *Income Taxes - Changes in the Tax Status of an Entity or its Shareholders*	1 January 2012
IC Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*	1 January 2012
IC Interpretation 129 *Service Concession Arrangements: Disclosures*	1 January 2012
IC Interpretation 131 *Revenue - Barter Transactions Involving Advertising Services*	1 January 2012
IC Interpretation 132 *Intangible Assets - Web Site Costs*	1 January 2012

5. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (continued)

5.1 New MFRSs adopted during the current financial year (continued)

(a) Amendments to MFRS 101 *Clarification of the Requirements for Comparative Information* are mandatory for annual periods beginning on or after 1 January 2013.

The Group has early adopted amendments to MFRS 101 *Clarification of the Requirements for Comparative Information* in conjunction with the application of MFRS 101. These Amendments clarify that the third statement of financial position is required only if a retrospective application, retrospective restatement or reclassification has a material effect on the information in the statement of financial position at the beginning of the preceding period. If the third statement of financial position is presented, these Amendments clarify that the related notes to the opening statement of financial position need not be disclosed. Accordingly, there are no related notes disclosed in relation to the opening statement of financial position as at 1 April 2011.

(b) Amendments to MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards* are mandatory for annual periods beginning on or after 1 January 2013.

The Group has early adopted Amendments to MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards* in conjunction with the application of MFRS 1. These Amendments clarify that the first MFRS financial statements shall include at least three statements of financial position, two statements of profit or loss and other comprehensive income, two separate statements of profit or loss (if presented), two statements of cash flows and two statements of changes in equity and related notes, including comparative information for all statements presented.

5.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2013

The following are accounting standards, amendments and interpretations of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board ('MASB') but have not been adopted by the Group and the Company.

Title	Effective Date
Amendments to MFRS 101 *Presentation of Items of Other Comprehensive Income*	1 July 2012
MFRS 10 *Consolidated Financial Statements*	1 January 2013
MFRS 11 *Joint Arrangements*	1 January 2013
MFRS 12 *Disclosure of Interests in Other Entities*	1 January 2013
MFRS 13 *Fair Value Measurement*	1 January 2013
MFRS 119 *Employee Benefits (revised)*	1 January 2013
MFRS 127 *Separate Financial Statements*	1 January 2013
MFRS 128 *Investments in Associates and Joint Ventures*	1 January 2013
Amendments to MFRS 1 *Government Loans*	1 January 2013
Amendments to MFRS 7 *Disclosures - Offsetting Financial Assets and Financial Liabilities*	1 January 2013
Amendments to MFRSs *Annual Improvements 2009 - 2011 Cycle*	1 January 2013
Amendments to MFRS 10, MFRS 11 and MFRS 12 *Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance*	1 January 2013
IC Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine*	1 January 2013
Amendments to MFRS 132 *Offsetting Financial Assets and Financial Liabilities*	1 January 2014
Mandatory Effective Date of MFRS 9 *and Transition Disclosures*	1 January 2015
MFRS 9 *Financial Instruments*	1 January 2015

The Group is in the process of assessing the impact of implementing these accounting standards, amendments and interpretations, since the effects would only be observable for the future financial years.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

6.1 Changes in estimates

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Directors are of the opinion that there are no changes in estimates at the end of the reporting period.

6.2 Critical judgements made in applying accounting policies

The following is judgement made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(a) Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

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 would account 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.

(b) Classification of leasehold land

The classification of leasehold land as a finance lease or an operating lease required the use of judgement in determining the extent to which risks and rewards incidental to its ownership lie. Due to 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 and that the present value of the minimum lease payments amounts to at least substantially all of the fair value of the land at the inception of the lease, management had determined that the leasehold land lease does not transfer substantially all the risks and rewards to the Group and hence it is classified as operating lease.

(c) Contingent liabilities on corporate guarantees

The Directors are of the view that the chances of the financial institutions to call upon the corporate guarantees are remote.

(d) Classification of non-current bank borrowings

Term loan agreements entered into by the Group include repayment on demand clauses at the discretion of financial institutions. The Group believes that in the absence of a default being committed by the Group, these financial institutions are not entitled to exercise its right to demand for repayment. Accordingly, the carrying amount of the term loans have been classified between current and non-current liabilities based on their repayment period.

6 . SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

6.3 Key sources of estimation uncertainty

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

(a) Depreciation of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight line basis over the assets' useful lives. Management estimates the useful lives of these property, plant and equipment in accordance with accounting policy stated in Note 4.4 to the financial statements. These are common life expectancies applied in this industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised.

(b) Impairment of goodwill on consolidation

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

Assessment on impairment of goodwill on consolidation is disclosed in Note 12 to the financial statements.

(c) Deferred tax assets

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

(d) Write down for obsolete or slow moving inventories

The Group writes down its obsolete or slow moving inventories based on assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts could not be recovered. Management specifically analyses sales trend and current economic trends when making a judgement to evaluate the adequacy of the write down for obsolete or slow moving inventories. Where expectations differ from the original estimates, the differences would impact the carrying amount of inventories.

(e) Impairment of receivables

The Group makes impairment of receivables based on an assessment of the recoverability of receivables. Impairment is applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses historical bad debt, customer concentration, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of impairment of receivables. Where expectations differ from the original estimates, the differences would impact the carrying amount of receivables.

(f) Fair value of borrowings

The fair value of borrowings are estimated by discounting future contractual cash flows at the current market interest rates available to the Group for similar financial instruments. It is assumed that the effective interest rates approximate the current market interest rates available to the Group based on its size and its business risk. Sensitivity analysis of the effects of interest rate risk has been disclosed in Note 38 to the financial statements.

7. PROPERTY, PLANT AND EQUIPMENT

Group 2013	Balance as at 1.4.2012 RM	Reclassification to investment properties (Note 8) RM	Additions RM	Revaluation RM	Written off RM	Disposals RM	Depreciation charge for the financial year RM	Exchange differences RM	Balance as at 31.3.2013 RM
Carrying amount									
Freehold land, at valuation	18,416,000	(3,205,000)	-	-	-	-	-	-	15,211,000
Buildings, at valuation	26,167,569	-	146,394	937,608	-	-	(642,540)	88,217	26,697,248
Plant and machineries	2,654,210	-	98,373	-	-	(1,665)	(433,027)	216	2,318,107
Motor vehicles and forklifts	2,253,064	-	400,858	-	-	(14,593)	(649,471)	11,118	2,000,976
Electrical fittings and installation	81,893	-	35,227	-	-	-	(16,804)	-	100,316
Office equipment, furniture and fittings	1,356,719	-	355,871	-	(35,475)	(4,025)	(206,900)	1,881	1,468,071
Stores, cabin and renovations	128,388	-	-	-	-	-	(27,981)	1,755	102,162
Construction-in-progress	2,146,927	(4,054,262)	1,907,335	-	-	-	-	-	-
	53,204,770	(7,259,262)	2,944,058	937,608	(35,475)	(20,283)	(1,976,723)	103,187	47,897,880

	[--------At 31.3.2013				--------]
	Cost RM	Valuation RM	Accumulated depreciation RM	Accumulated impairment RM	Carrying amount RM
Freehold land, at valuation	-	15,211,000	-	-	15,211,000
Buildings, at valuation	-	31,545,608	(4,530,617)	(317,743)	26,697,248
Plant and machineries	13,480,239	-	(11,162,132)	-	2,318,107
Motor vehicles and forklifts	7,104,897	-	(5,103,921)	-	2,000,976
Electrical fittings and installation	588,215	-	(487,899)	-	100,316
Office equipment, furniture and fittings	3,047,877	-	(1,579,806)	-	1,468,071
Stores, cabin and renovations	393,263	-	(291,101)	-	102,162
	24,614,491	46,756,608	(23,155,476)	(317,743)	47,897,880

Group 2012	Balance as at 1.4.2011 RM	Reclassification to land held for property development (Note 10) RM	Additions RM	Revaluation RM	Written off RM	Disposals RM	Depreciation charge for the financial year RM	Exchange differences RM	Balance as at 31.3.2012 RM
Carrying amount									
Freehold land, at valuation	29,138,000	(10,722,000)	-	-	-	-	-	-	18,416,000
Buildings, at valuation	25,505,554	-	58,102	1,127,366	-	-	(599,185)	75,732	26,167,569
Plant and machineries	2,902,232	-	207,812	-	-	-	(463,464)	7,630	2,654,210
Motor vehicles and forklifts	2,266,996	-	679,902	-	-	(1)	(708,380)	14,547	2,253,064
Electrical fittings and installation	97,001	-	-	-	-	-	(15,108)	-	81,893
Office equipment, furniture and fittings	1,418,692	-	187,127	-	(50,734)	(1,730)	(199,114)	2,478	1,356,719
Stores, cabin and renovations	153,971	-	-	-	-	-	(27,344)	1,761	128,388
Construction-in-progress	-	-	2,146,927	-	-	-	-	-	2,146,927
	61,482,446	(10,722,000)	3,279,870	1,127,366	(50,734)	(1,731)	(2,012,595)	102,148	53,204,770

	[--------At 31.3.2012				--------]
	Cost RM	Valuation RM	Accumulated depreciation RM	Accumulated impairment RM	Carrying amount RM
Freehold land, at valuation	-	18,416,000	-	-	18,416,000
Buildings, at valuation	-	30,362,427	(3,877,115)	(317,743)	26,167,569
Plant and machineries	13,383,850	-	(10,729,640)	-	2,654,210
Motor vehicles and forklifts	7,270,572	-	(5,017,508)	-	2,253,064
Electrical fittings and installation	552,988	-	(471,095)	-	81,893
Office equipment, furniture and fittings	2,767,690	-	(1,410,971)	-	1,356,719
Stores, cabin and renovations	389,121	-	(260,733)	-	128,388
Construction-in-progress	2,146,927	-	-	-	2,146,927
	26,511,148	48,778,427	(21,767,062)	(317,743)	53,204,770

7. PROPERTY, PLANT AND EQUIPMENT (continued)

Company 2013	Balance as at 1.4.2012 RM	Additions RM	Disposals RM	Depreciation charge for the financial year RM	Balance as at 31.3.2013 RM
Carrying amount					
Motor vehicles	1	171,397	(1)	(11,427)	159,970
Office equipment	11,990	6,336	-	(1,748)	16,578
	11,991	177,733	(1)	(13,175)	176,548

	[------At 31.3.2013------]		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Motor vehicles	171,397	(11,427)	159,970
Office equipment	20,368	(3,790)	16,578
	191,765	(15,217)	176,548

Company 2012	Balance as at 1.4.2011 RM	Additions RM	Depreciation charge for the financial year RM	Balance as at 31.3.2012 RM
Carrying amount				
Motor vehicles	1	-	-	1
Office equipment	9,960	3,145	(1,115)	11,990
	9,961	3,145	(1,115)	11,991

	[------At 31.3.2012------]		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Motor vehicles	422,338	(422,337)	1
Office equipment	14,032	(2,042)	11,990
	436,370	(424,379)	11,991

(a) The Group and the Company made the following cash payments to purchase property, plant and equipment:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Purchase of property, plant and equipment	2,944,058	3,279,870	177,733	3,145
Less: Financed by hire purchase arrangements	-	(190,000)	-	-
	2,944,058	3,089,870	177,733	3,145

(b) Freehold land and buildings of the Group were revalued in the previous financial year by the Directors based on a valuation exercise carried out by independent firm of registered professional valuers, using the 'comparison method' basis.

Had the revalued assets been carried at cost less accumulated depreciation, the carrying amounts would have been:

	Group	
	2013 RM	2012 RM
Cost		
Freehold land	12,393,755	12,393,755
Buildings	25,512,306	25,512,306
	37,906,061	37,906,061
Accumulated depreciation		
Buildings	(5,599,806)	(5,089,560)
Carrying amount	32,306,255	32,816,501

7. PROPERTY, PLANT AND EQUIPMENT (continued)

(c) As at 31 March 2013, the carrying amounts of the property, plant and equipment of the Group under hire purchase and finance leases are as follows:

	Group 2013 RM	2012 RM
Hire purchase		
Cost	489,296	1,141,973
Accumulated depreciation	(147,035)	(409,845)
	342,261	732,128
Finance lease		
Cost	520,391	509,831
Accumulated depreciation	(156,117)	(101,966)
	364,274	407,865
	706,535	1,139,993

8. INVESTMENT PROPERTIES

Group 2013	Balance as at 1.4.2012 RM	[-----------Reclassification-----------] Property, plant and equipment (Note 7) RM	Land held for development (Note 10) RM	Balance as at 31.3.2013 RM
Carrying amount				
Cost				
Freehold land	-	3,205,000	10,879,580	14,084,580
Building	-	4,054,262	-	4,054,262
	-	7,259,262	10,879,580	18,138,842

The market value of investment properties approximated their carrying values.

Direct operating expenses arising from investment properties that did not generate rental income during the financial year are as follows:

	Group 2013 RM	2012 RM
Quit rent and assessment	7,069	10,561

9. PREPAID LEASE PAYMENTS FOR LAND

Group 2013	Balance as at 1.4.2012 RM	Amortisation charge for the financial year RM	Exchange differences RM	Balance as at 31.3.2013 RM
Carrying amount				
Long term leasehold land	5,535,653	(175,343)	114,691	5,475,001

	[----------------At 31.3.2013----------------] Cost RM	Accumulated amortisation RM	Carrying amount RM
Long term leasehold land	6,022,236	(547,235)	5,475,001

Group 2012	Balance as at 1.4.2011 RM	Amortisation charge for the financial year RM	Exchange differences RM	Balance as at 31.3.2012 RM
Carrying amount				
Long term leasehold land	5,586,385	(134,581)	83,849	5,535,653

9. PREPAID LEASE PAYMENTS FOR LAND (continued)

	[---At 31.3.2012---]		
	Cost RM	Accumulated amortisation RM	Carrying amount RM
Long term leasehold land	6,853,656	(1,318,003)	5,535,653

10. LAND HELD FOR PROPERTY DEVELOPMENT

Group 2013	Balance as at 1.4.2012 RM	Additions RM	Reclassification to investment properties (Note 8) RM	Balance as at 31.3.2013 RM
Carrying amount				
Freehold land	10,722,000	157,580	(10,879,580)	-

2012	Balance as at 1.4.2011 RM	Reclassification from property, plant and equipment (Note 7) RM	Balance as at 31.3.2012 RM
Carrying amount			
Freehold land	-	10,722,000	10,722,000

11. INVESTMENTS IN SUBSIDIARIES

	Company	
	2013 RM	2012 RM
Unquoted shares - at cost	14,591,594	14,591,594
Less: Impairment losses	(501,782)	(501,782)
	14,089,812	14,089,812

Details of the subsidiaries are as follows:

Name of company	Country of incorporation	Effective interest in equity Company 2013 %	2012 %	Principal activities
Premier Woodprofile Sdn. Bhd.	Malaysia	100	100	Manufacturing of primed medium density fibreboard mouldings, wrapped mouldings and furniture components
Bripanel Industries Sdn. Bhd.	Malaysia	100	100	Manufacturing of laminated wood panel products
Ecopanel Industries Sdn. Bhd.	Malaysia	100	100	Manufacturing of laminated wood panel products
Combi Trading Sdn. Bhd.	Malaysia	100	100	Distribution of wood products
Ikta Sdn. Bhd.	Malaysia	100	100	Distribution of wood products
Jurihan Sdn. Bhd.	Malaysia	100	100	Distribution of wood products and building materials
Kim Guan Impex Sdn. Bhd.	Malaysia	100	100	Distribution of wood products and building materials
Akati Impex Pte. Ltd.*	Singapore	100	100	Importers, distributors and exporters of all types of wood products
Akati Wood (Vietnam) Co., Ltd.*	Vietnam	100	100	Manufacturing of laminated wood panel products and distribution of wood products
Green Panel Pty. Ltd.#	Australia	100	100	Distribution of wood products
Damai Estate Sdn. Bhd.	Malaysia	100	100	Property management
Wira Land Development Sdn. Bhd.	Malaysia	100	100	Property development

** Subsidiaries audited by BDO Member Firms*
 # Not required to be audited under the local legislations

11. INVESTMENTS IN SUBSIDIARIES (continued)

Acquisition of a subsidiary

In the previous financial year, the Company acquired a wholly owned subsidiary, Wira Land Development Sdn. Bhd., a company incorporated in Malaysia, with a paid-up share capital of RM2 comprising 2 ordinary shares of RM1 each. Subsequent to the acquisition, the Company subscribed for an additional 499,998 ordinary shares of RM1 each in this subsidiary.

Acquisition of shares in an existing subsidiary

In the previous financial year, the Company acquired the remaining 30% equity interest in Kim Guan Impex Sdn. Bhd., a company incorporated in Malaysia, for a purchase consideration of RM2,097,000.

12. INTANGIBLE ASSETS

Group 2013	Balance as at 1.4.2012 RM	Impairment loss for the financial year RM	Balance as at 31.3.2013 RM
Carrying amount			
Goodwill	836,556	-	836,556

	[-------------------At 31.3.2013-------------------]		
	Cost RM	Accumulated impairment RM	Carrying amount RM
Goodwill	1,059,306	(222,750)	836,556

Group 2012	Balance as at 1.4.2011 RM	Impairment loss for the financial year RM	Balance as at 31.3.2012 RM
Carrying amount			
Goodwill	836,556	-	836,556

	[-------------------At 31.3.2012-------------------]		
	Cost RM	Accumulated impairment RM	Carrying amount RM
Goodwill	1,059,306	(222,750)	836,556

Goodwill arising from business combinations has been allocated to two (2) individual cash-generating units ('CGU') for impairment testing as follows:

	Group	
	2013 RM	2012 RM
Manufacturing of wood products	571,808	571,808
Distribution of wood products	264,748	264,748
	836,556	836,556

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions, which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The recoverable amounts of the CGUs have been determined based on value in use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The following key assumptions are used to generate the financial budgets:

12. INTANGIBLE ASSETS (continued)

	2013 %	2012 %
Sales growth rate	10	10
Pre-tax discount rate	10	10

A reasonable change in the assumptions above would not cause any impairment loss on goodwill. The calculations of value in use for the CGUs are most sensitive to the following assumptions:

(i) Sales growth rate

The forecasted sales growth rate is based on business past performance and management's expectations of market development.

(ii) Pre-tax discount rate

Discount rate reflect the current market assessment of the risks specific to each CGU. This is the benchmark used by management to assess the operating performance of the CGU.

13. DEFERRED TAX

(a) The deferred tax assets and liabilities are made up of the following:

	Group 2013 RM	2012 RM
Balance as at 1 April	2,924,264	2,552,211
Recognised in profit or loss (Note 32)	33,154	180,503
Recognised in other comprehensive income	159,393	191,550
Balance as at 31 March	3,116,811	2,924,264
Presented after appropriate offsetting:		
Deferred tax assets, net	(22,804)	(22,804)
Deferred tax liabilities, net	3,139,615	2,947,068
Balance as at 31 March	3,116,811	2,924,264

(b) The components and movements of deferred tax liabilities during the financial year are as follows:

Deferred tax liabilities of the Group

	Property, plant and equipment RM	Other temporary differences RM	Total RM
At 1 April 2012	2,067,174	879,894	2,947,068
Recognised in profit or loss	168,349	(135,195)	33,154
Recognised in other comprehensive income	-	159,393	159,393
At 31 March 2013	2,235,523	904,092	3,139,615
At 1 April 2011	1,881,301	693,714	2,575,015
Recognised in profit or loss	185,873	(5,370)	180,503
Recognised in other comprehensive income	-	191,550	191,550
At 31 March 2012	2,067,174	879,894	2,947,068

Deferred tax assets of the Group

	Unused tax losses and unabsorbed capital allowances RM
At 1 April 2011/2012	(22,804)
Recognised in profit or loss	-
At 31 March 2012/2013	(22,804)

14. INVENTORIES

	Group 2013 RM	Group 2012 RM
At cost		
Raw materials	12,354,322	6,677,344
Work-in-progress	844,212	620,916
Finished goods	1,031,084	755,793
Consumables	680,848	601,590
Trading merchandise		
- On hand	59,123,897	48,601,620
- In-transit	5,816,923	2,835,656
	79,851,286	60,092,919

During the financial year, the Group has written down inventories amounted to RM554,068 (2012: RM500,000).

15. TRADE AND OTHER RECEIVABLES

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Third parties	93,367,576	84,566,993	-	-
Less: Impairment losses	(222,262)	(162,266)	-	-
	93,145,314	84,404,727	-	-
Other receivables				
Other receivables	338,490	100,373	2,419	-
Deposits	1,803,021	521,730	1,000	1,000
Loans and receivables	95,286,825	85,026,830	3,419	1,000
Prepayments				
Prepayments	541,581	545,209	-	-
Advance payment for purchase of trading merchandise	1,859,022	1,683,478	-	-
	2,400,603	2,228,687	-	-
	97,687,428	87,255,517	3,419	1,000

(a) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group and the Company range from 7 to 90 days (2012: 7 to 90 days) from the date of invoice. They are recognised at their original invoiced amounts, which represent their fair value on initial recognition.

(b) The currency exposure profile of receivables are as follows:

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Ringgit Malaysia	86,409,687	76,612,599	3,419	1,000
Singapore Dollar	4,526,936	4,295,627	-	-
Australian Dollar	2,665,154	3,409,682	-	-
United States Dollar	1,998,857	1,803,116	-	-
Brunei Dollar	448,712	597,085	-	-
Vietnamese Dong	1,586,192	537,408	-	-
Euro	51,890	-	-	-
	97,687,428	87,255,517	3,419	1,000

(c) Information on financial risks of trade and other receivables are disclosed in Note 38 to the financial statements.

15. TRADE AND OTHER RECEIVABLES (continued)

(d) The ageing analysis of trade receivables of the Group is as follows:

	Group 2013 RM	Group 2012 RM
Neither past due nor impaired	78,666,994	72,043,591
Past due, not impaired		
Less than 30 days	9,958,615	8,114,954
31 to 120 days	3,474,371	3,465,599
More than 120 days	1,045,334	780,583
	14,478,320	12,361,136
Past due and impaired	222,262	162,266
	93,367,576	84,566,993

Receivables that are neither past due nor impaired

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

None of the trade receivables of the Group that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired

Trade receivables that are past due but not impaired mainly arose from active customers with on-going business relationship, in which the management is of the view that the amounts are recoverable based on past payments history.

The trade receivables of the Group that are past due but not impaired are unsecured in nature.

Receivables that are past due and impaired

Trade receivables of the Group that are past due and impaired at the end of the reporting period are as follows:

	Individually impaired Group 2013 RM	Individually impaired Group 2012 RM
Trade receivables, gross	222,262	162,266
Less: Impairment losses	(222,262)	(162,266)
	-	-

The reconciliation of movements in the impairment losses are as follows:

	Group 2013 RM	Group 2012 RM
At 1 April	162,266	1,009,844
Charge for the financial year	181,147	129,176
Written off	(58,883)	(535,530)
Reversal of impairment losses	(62,268)	(441,224)
At 31 March	222,262	162,266

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to those debtors that exhibit financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(e) Included in deposits is an amount of RM1,032,820 (2012: Nil) paid for the acquisition of a piece of agriculture land as disclosed in Note 40 to the financial statements.

16. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	Company 2013 RM	Company 2012 RM
Amounts owing by subsidiaries	54,228,024	52,916,247
Amounts owing to subsidiaries	(7,542,148)	(8,314,502)
	46,685,876	44,601,745

(a) Amounts owing by/(to) subsidiaries represent management fee receivable, advances and payments made on behalf, which are unsecured, interest-free and payable upon demand in cash and cash equivalents.

(b) The currency exposure profile of amounts owing by subsidiaries are as follows:

	Company 2013 RM	Company 2012 RM
Ringgit Malaysia	51,704,475	51,191,686
United States Dollar	2,376,045	1,225,114
Australian Dollar	-	356,453
Singapore Dollar	147,504	142,994
	54,228,024	52,916,247

(c) The currency exposure profile of amounts owing to subsidiaries are as follows:

	Company 2013 RM	Company 2012 RM
Ringgit Malaysia	7,465,150	8,314,502
Australian Dollar	76,998	-
	7,542,148	8,314,502

17. CASH AND CASH EQUIVALENTS

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Cash and bank balances	9,922,712	6,471,062	165,098	51,455
Deposits with licensed banks	18,000,000	17,079,465	10,000,000	9,000,184
	27,922,712	23,550,527	10,165,098	9,051,639

(a) The effective interest rate and tenure of the deposits placed with licensed banks at the end of the reporting period is 3.15% (2012: 3.15% to 3.20%) per annum and with maturity of 30 days (2012: 30 days).

(b) The currency exposure profile of cash and cash equivalents are as follows:

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Ringgit Malaysia	26,607,452	22,268,149	10,165,098	9,051,639
United States Dollar	438,603	808,892	-	-
Australian Dollar	123,885	368,224	-	-
Singapore Dollar	12,455	12,203	-	-
Vietnamese Dong	739,090	92,213	-	-
Others	1,227	846	-	-
	27,922,712	23,550,527	10,165,098	9,051,639

17. CASH AND CASH EQUIVALENTS (continued)

(c) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting period:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Cash and bank balances	9,922,712	6,471,062	165,098	51,455
Deposits with licensed banks	18,000,000	17,079,465	10,000,000	9,000,184
Bank overdrafts included in borrowings (Note 20)	(1,373,884)	(2,448,251)	-	(3,685)
	26,548,828	21,102,276	10,165,098	9,047,954

18. SHARE CAPITAL

	Group and Company			
	2013		2012	
	Number of shares	RM	Number of shares	RM
Ordinary shares of RM0.50 each:				
Authorised	200,000,000	100,000,000	200,000,000	100,000,000
Issued and fully paid-up:				
Balance as at 1 April	129,134,680	64,567,340	124,646,880	62,323,440
Issued for cash pursuant to: - Employees' Share Options Scheme	5,096,800	2,548,400	4,487,800	2,243,900
Balance as at 31 March	134,231,480	67,115,740	129,134,680	64,567,340

(a) During the financial year, the issued and paid-up ordinary share capital of the Company was increased from RM64,567,340 to RM67,115,740 by way of issuance of 3,789,200 and 1,307,600 new ordinary shares of RM0.50 each at exercise prices of RM0.50 and RM0.51 each for cash respectively pursuant to the exercise of Employees' Share Options Scheme.

The share premium arising from the ordinary shares issued of RM13,076 has been credited to the share premium account.

In the previous financial year, the issued and paid-up ordinary share capital of the Company was increased from RM62,323,440 to RM64,567,340 by way of issuance of 3,608,400 and 879,400 new ordinary shares of RM0.50 each at exercise prices of RM0.50 and RM0.51 each for cash respectively pursuant to the exercise of Employees' Share Options Scheme.

The share premium arising from the ordinary shares issued of RM80,798 was credited to the share premium account.

(b) The owners of the parent of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per share at meeting of the Company. All ordinary shares rank pari passu with regard to the Company's residual assets.

(c) Employees' Share Option Scheme ("ESOS")

The Company's Employees' Share Option Scheme ('ESOS') was approved by the shareholders at the Extraordinary General Meeting held on 26 July 2004 and the approval from Bursa Malaysia Securities Berhad ('Bursa Securities') on 25 May 2004.

On 27 February 2008, the ESOS Committee ('Committee') made additional offers of 5,473,200 share options to the qualified employees in the Group and the Company in accordance with the terms stated in the ESOS By-Laws, at an exercise price of RM 0.51 per ordinary share. All terms and conditions of the offer remained unchanged.

18. SHARE CAPITAL (continued)

(c) Employees' Share Option Scheme ("ESOS") (continued)

The salient features of the ESOS are as follows:

(a) any employee employed full time by the Group shall be eligible in the ESOS if he or she has been confirmed and must have served the Group on a continuous basis for a period of not less than a year on the date of offer;

(b) the number of new ordinary shares to be offered under the ESOS shall be subject to a maximum of 15% of the issued and paid-up share capital of the Company at any time during the existence of the ESOS; and the maximum entitlement of any eligible employee is 750,000 new ordinary shares under the ESOS and the actual entitlement will be determined by the Committee as appointed by the directors to administer the ESOS based on parameters as set out in the By-Laws approved by Bursa Securities;

(c) the ESOS shall be in force for a maximum period of five (5) years from the date of offer. As approved by the Committee at a meeting held on 24 July 2009, the exercised period for the ESOS granted in 2004 has been extended for another five years. The revised expiry date will fall on 2 August 2014;

(d) the price payable upon the exercise of the options under the ESOS shall be the average of the mean market quotation (calculated as the weighted average market prices as traded on Bursa Securities for the day) of the ordinary shares as quoted and shown in the Daily Official List issued by Bursa Securities for the five (5) market days with a discount of not more than ten per centum (10%) or the par value of the shares, whichever is the higher amount; and

(e) the shares under the aforesaid options may be exercised in full or in respect of 1,000 shares or a multiple there of on the payment of the requisite subscription price within the respective exercisable periods of the aforesaid options.

The new ordinary shares to be allotted upon the exercise of the options shall rank pari passu in all respects with the existing issued and paid-up ordinary shares of the Company except that they shall not be entitled to any dividend or distribution which may be declared, made or paid prior to the date of exercise of the options.

The details of the options over the ordinary shares of the Company are as follows:

		Number of options over ordinary shares of RM0.50 each					
Date of offer	**Option price RM**	**Balance as at 1.4.2012**	**Granted**	**Exercised**	**Cancelled**	**Balance as at 31.3.2013**	**Exercisable as at 31.3.2013**
2 August 2004	0.50	6,087,120	-	(3,789,200)	(532,000)	1,765,920	1,765,920
3 March 2008	0.51	3,140,000	-	(1,307,600)	(149,400)	1,683,000	1,683,000
		9,227,120	-	(5,096,800)	(681,400)	3,448,920	3,448,920
Weighted average exercise price(RM)		0.50		0.50	0.50	0.50	0.50
Weighted average remaining contractual life (months)		28					16

		Number of options over ordinary shares of RM0.50 each					
Date of offer	**Option price RM**	**Balance as at 1.4.2011**	**Granted**	**Exercised**	**Cancelled**	**Balance as at 31.3.2012**	**Exercisable as at 31.3.2012**
2 August 2004	0.50	9,871,920	-	(3,608,400)	(176,400)	6,087,120	6,087,120
3 March 2008	0.51	4,221,600	-	(879,400)	(202,200)	3,140,000	3,140,000
		14,093,520	-	(4,487,800)	(378,600)	9,227,120	9,227,120
Weighted average exercise price(RM)		0.50		0.50	0.51	0.50	0.50
Weighted average remaining contractual life (months)		40					28

(d) Treasury shares

In the previous financial year, the Company sold all the treasury shares of 1,442,700 at net proceeds of RM994,711. The gain arose from the resale of treasury shares of RM80,798 was credited to the share premium account.

The Company did not repurchase any of its own shares during the financial year.

19. RESERVES

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Non-distributable:				
Share premium	300,674	287,598	300,674	287,598
Revaluation reserve	21,410,399	20,632,184	-	-
Exchange translation reserve	2,291,710	1,952,041	-	-
	24,002,783	22,871,823	300,674	287,598
Distributable:				
Retained earnings	68,905,591	61,535,297	3,379,207	2,656,742
	92,908,374	84,407,120	3,679,881	2,944,340

(a) Share premium

Share premium arose from allotment of ordinary shares at premium net of share issue expense and bonus issues.

(b) Revaluation reserve

Revaluation reserve comprises net surplus on revalued properties.

(c) Exchange translation reserve

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

(d) Retained earnings

The Company had moved to a single tier system since the previous financial year, and as a result, there are no longer any restrictions on the Company to frank the payment of dividends out of its entire retained earnings as at the end of the reporting period.

20. BORROWINGS

	Note	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Current liabilities					
Unsecured					
Bankers' acceptances		76,506,949	51,757,773	-	-
Bank overdraft	17	1,373,884	2,448,251	-	3,685
Term loans	21	1,348,014	1,183,746	-	-
Trust receipts		5,132,762	4,641,709	-	-
Secured					
Finance lease payables	22	45,328	57,494	-	-
Hire purchase creditors	23	80,207	117,547	-	-
		84,487,144	60,206,520	-	3,685
Non-current liabilities					
Unsecured					
Term loans	21	5,401,873	4,946,262	-	-
Secured					
Finance lease payables	22	-	44,408	-	-
Hire purchase creditors	23	47,185	128,708	-	-
		5,449,058	5,119,378	-	-
Total borrowings					
Bankers' acceptances		76,506,949	51,757,773	-	-
Bank overdraft	17	1,373,884	2,448,251	-	3,685
Term loans	21	6,749,887	6,130,008	-	-
Trust receipts		5,132,762	4,641,709		
Finance lease payables	22	45,328	101,902	-	-
Hire purchase creditors	23	127,392	246,255	-	-
		89,936,202	65,325,898	-	3,685

20. BORROWINGS (continued)

(a) Information on financial risks of borrowings and the remaining maturity is disclosed in Note 38 to the financial statements.

(b) Bankers' acceptances and trust receipts of the Group are repayable within 150 days (2012: 150 days).

(c) The unsecured bank borrowings of the subsidiaries are guaranteed by the Company.

(d) The currency exposure profile of borrowings is as follows:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Ringgit Malaysia	79,021,229	55,084,988	-	3,685
Singapore Dollar	6,014,519	5,281,486	-	-
United States Dollar	3,840,500	2,637,482	-	-
Australian Dollar	1,059,954	2,321,942	-	-
	89,936,202	65,325,898	-	3,685

21. TERM LOANS

	Group	
	2013 RM	2012 RM
Term loan I repayable by 84 monthly installments of RM65,623 each commencing May 2010	4,009,936	4,570,778
Term loan II repayable by 60 monthly installments of RM56,801 each commencing March 2013	2,569,459	819,096
Term loan III repayable by 17 monthly installments of USD7,786 (equivalent to RM25,484) each commencing April 2010	-	230,422
Term loan IV repayable by 17 monthly installments of USD27,653 (equivalent to RM90,508) each commencing September 2009	170,492	509,712
	6,749,887	6,130,008

Information on financial risk of borrowings is disclosed in Note 38 to the financial statements.

22. FINANCE LEASE PAYABLES

	Group	
	2013 RM	2012 RM
Minimum finance lease payments:		
- not later than one year	45,993	60,184
- later than one year and not later than five years	-	45,060
Total minimum finance lease payments	45,993	105,244
Less: Future interest charges	(665)	(3,342)
Present value of finance lease payments	45,328	101,902
Repayable as follows:		
Current liabilities:		
- not later than one year	45,328	57,494
Non-current liabilities:		
- later than one year and not later than five years	-	44,408
	45,328	101,902

(a) Interest rates are fixed at the inception of the finance lease arrangements. All finance leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payment.

(b) Information on financial risk of finance lease payables is disclosed in Note 38 to the financial statements.

23. HIRE PURCHASE CREDITORS

	Group 2013 RM	Group 2012 RM
Minimum hire purchase payments:		
- not later than one year	86,450	129,422
- later than one year and not later than five years	49,730	136,180
Total minimum hire purchase payments	136,180	265,602
Less: Future interest charges	(8,788)	(19,347)
Present value of hire-purchase payments	127,392	246,255
Repayable as follows:		
Current liabilities:		
- not later than one year	80,207	117,547
Non-current liabilities:		
- later than one year and not later than five years	47,185	128,708
	127,392	246,255

(a) Interest rates are fixed at the inception of the hire purchase arrangements.

(b) Information on financial risk of hire purchase creditors is disclosed in Note 38 to the financial statements.

24. TRADE AND OTHER PAYABLES

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Trade payables				
Third parties	19,345,537	16,554,659	-	-
Other payables				
Other payables	891,882	661,069	103	-
Accruals	3,233,432	4,927,308	269,220	223,925
Deposits received	309,808	307,708	-	-
	4,435,122	5,896,085	269,323	223,925
	23,780,659	22,450,744	269,323	223,925

(a) Trade payables are non-interest bearing and the normal trade credit terms granted ranging from 30 to 120 days (2012: 30 to 120 days) from date of invoice.

(b) The major currency exposure profile of payables are as follows:

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Ringgit Malaysia	19,562,055	20,464,692	269,323	223,925
Australian Dollar	380,281	390,569	-	-
United States Dollar	2,287,680	631,480	-	-
Singapore Dollar	888,783	573,756	-	-
Vietnamese Dong	661,860	337,150	-	-
Others	-	53,097	-	-
	23,780,659	22,450,744	269,323	223,925

(c) Information on financial risks of trade and other payables are disclosed in Note 38 to the financial statements.

25. CAPITAL COMMITMENTS

	Group 2013 RM	Group 2012 RM
Capital expenditure in respect of purchase of property, plant and equipment:		
- contracted but not provided for	11,056,324	-

26. REVENUE

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Sale of goods	416,228,778	371,872,185	-	-
Dividend income	-	-	7,242,325	46,127,426
Management fee	-	-	1,081,786	1,083,224
	416,228,778	371,872,185	8,324,111	47,210,650

27. FINANCE INCOME

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Interest income from:				
- deposits with licensed banks	589,410	428,087	312,321	245,174
- others	-	65	-	-
	589,410	428,152	312,321	245,174

28. EMPLOYEE BENEFITS

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Salaries and allowances	13,499,197	11,873,945	507,310	298,897
Defined contribution plans	1,365,351	1,155,181	61,268	41,065
Other employee benefits	803,299	860,180	36,540	87,488
	15,667,847	13,889,306	605,118	427,450

29. DIRECTORS' REMUNERATION

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of the Group.

The remuneration of Directors and other key management personnel during the financial year was as follows:

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Directors of the Company				
Executive Directors:				
Salaries and other emoluments	2,660,926	3,157,538	9,000	9,000
Defined contribution plans	256,119	295,590	-	-
	2,917,045	3,453,128	9,000	9,000
Non-executive Directors:				
Fees	196,000	196,000	196,000	196,000
Other emoluments	11,500	10,500	11,500	10,500
	207,500	206,500	207,500	206,500
Directors of subsidiaries				
Salaries and other emoluments	686,899	1,063,303	-	-
Defined contribution plans	75,172	119,085	-	-
	762,071	1,182,388	-	-
	3,886,616	4,842,016	216,500	215,500

30. FINANCE COSTS

	Group 2013 RM	Group 2012 RM
Interest expense on:		
- bankers' acceptances	2,516,753	2,535,033
- bank overdrafts	118,748	249,325
- finance leases	2,750	5,498
- hire purchase creditors	10,559	13,565
- term loans	280,834	285,393
- trust receipts	305,115	240,374
	3,234,759	3,329,188

31. PROFIT BEFORE TAX

	Note	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Profit before tax is arrived at after charging:					
Auditors' remuneration:					
- current year		153,270	153,793	15,000	15,000
- under provision in prior years		10,592	-	-	-
Bad debts written off		-	26,566	-	-
Impairment losses on trade and other receivables	15(d)	181,147	129,176	-	-
Inventories written down		54,068	150,000	-	-
Property, plant and equipment written off	7	35,475	50,734	-	-
Realised loss on foreign exchange		123,064	-	43	-
Rental of premises		715,746	591,945	12,912	12,912
And crediting:					
Bad debts recovered		533	633	-	-
Gain on disposal of property, plant and equipment		138,217	59,014	92,999	-
Gain on foreign exchange					
- realised		-	5,228	-	-
- unrealised		34,439	181,706	19,937	180,641
Interest received on late payment		30,357	39,305	-	-
Proceeds from insurance claim		252,804	5,150	-	-
Rental income		106,000	150,000	-	-
Reversal of impairment losses on trade receivables	15(d)	62,268	441,224	-	-

32. TAX EXPENSE

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Current tax expense based on profit for the financial year				
- Malaysian income tax	4,319,000	5,301,331	162,000	6,579,000
- Foreign income tax	226,884	622,190	-	-
	4,545,884	5,923,521	162,000	6,579,000
Under/(Over) provision in prior years				
- Malaysian income tax	21,079	(114,054)	9,938	-
- Foreign income tax	(100)	-	-	-
	4,566,863	5,809,467	171,938	6,579,000
Deferred tax (Note 13)				
- Relating to origination and reversal of temporary differences	83,641	100,662	-	-
- (Over)/Under provision in prior years	(50,487)	79,841	-	-
	33,154	180,503	-	-
Total tax expense	4,600,017	5,989,970	171,938	6,579,000

32. TAX EXPENSE (continued)

The Malaysian income tax is calculated at the statutory tax rate of 25% (2012: 25%) of the estimated taxable profit for the fiscal year.

Tax expense for other taxation authorities are calculated at the rates prevailing in those respective jurisdictions.

The reconciliation between the average effective tax rate and the applicable tax rate of the Group and of the Company are as follows:

	Group		Company	
	2013 RM %	2012 RM %	2013 RM %	2012 RM %
Applicable tax rate	25.0	25.0	25.0	25.0
Tax effects in respect of:				
Non-allowable expenses	1.4	1.5	1.1	0.1
Non-taxable income	(1.0)	(0.4)	(23.9)	(11.0)
Tax exempt income	(0.3)	(0.3)	-	-
Allowable expenditure for double tax deduction	(0.2)	(0.3)	-	-
Deferred tax liabilities not recognised	-	(0.2)	-	-
	24.9	25.3	2.2	14.1
Under/(Over) provision in prior years				
- current tax expense	0.1	(0.5)	0.1	-
- deferred tax	(0.3)	0.3	-	-
Effective tax rate	24.7	25.1	2.3	14.1

33. DIVIDENDS

	Group and Company			
	2013		2012	
	Dividend per ordinary share Sen	Amount of dividend RM	Dividend per ordinary share Sen	Amount of dividend RM
Single tier final dividend in respect of financial years ended 31 March 2012/2011	1.0	1,328,972	1.0	1,250,416
Single tier dividend in respect of financial years ended 31 March 2013/2012:				
- First interim	2.0	2,657,943	1.0	1,250,416
- Second interim	1.0	1,336,433	1.0	1,250,416
- Third interim	1.0	1,342,315	1.0	1,291,347
- Special	-	-	3.0	3,874,040
	5.0	6,665,663	7.0	8,916,635

The Directors recommend a single tier final dividend of 1.0 sen per ordinary share amounting to RM1,352,514 in respect of the financial year ended 31 March 2013. The proposed final dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements.

34. EARNINGS PER ORDINARY SHARE

(a) Basic earnings per ordinary share

The basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

34. EARNINGS PER ORDINARY SHARE (continued)

	Group 2013	Group 2012
Profit attributable to equity holders of the parent (RM)	14,035,957	17,669,716
Weighted average number of ordinary shares in issue	132,672,296	125,984,008
Basic earnings per ordinary share (sen)	10.58	14.03

(b) Diluted earnings per ordinary share

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to the equity holders of the parent by the weighted average number of ordinary shares, which would be issued on conversion of all dilutive potential ordinary shares into ordinary shares.

The weighted average number of ordinary shares outstanding plus the weighted average number of ordinary shares, which would be issued on conversion of all dilutive potential ordinary shares into ordinary shares, is calculated as follows:

	Group 2013	Group 2012
Weighted average number of ordinary shares in issue applicable to basic earnings per ordinary share	132,672,296	125,984,008
Effect of dilution in employee share options	1,266,055	1,204,160
Adjusted weighted average number of ordinary shares applicable to diluted earnings per ordinary share	133,938,351	127,188,168
Diluted earnings per ordinary share (sen)	10.48	13.89

35. RELATED PARTY DISCLOSURES

(a) Identities of related parties

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

The Company has controlling related party relationships with its direct and indirect subsidiaries.

(b) Significant related party transactions and balances

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Subsidiaries:				
Dividend income	-	-	7,242,325	46,127,426
Management fee income	-	-	1,081,786	1,083,224
Rental expenses paid	-	-	12,912	12,912
Related parties:				
Rental expenses paid	32,850	32,400	-	-

Balances of the above related parties are disclosed in Notes 16 to the financial statements.

The related party transactions described above were carried out on mutually agreed terms.

36. OPERATING SEGMENTS

Dominant Enterprise Berhad and its subsidiaries are principally engaged in investment holding, providing management services, manufacturing and sales of wood mouldings and laminated wood panel products and distribution of wood products.

Dominant Enterprise Berhad has arrived at two(2) reportable segments that are organised and managed separately according to the nature of products and services, specific expertise and technologies requirements, which requires different business and marketing strategies. The reportable segments are summarised as follows:

(i) Manufacturing of wood products

Manufacturing of laminated wood panel products and primed medium density fibreboard mouldings, wrapped mouldings and furniture components.

(ii) Distributing of wood products

Distribution of wood products and building materials.

Other operating segments that do not constitute reportable segments comprise investment and property holding.

The accounting policies of operating segments are the same as those described in the summary of significant accounting policies.

Segment performance is evaluated based on operating profit, excluding non-recurring losses, and in certain respect as explained in the table below, it is measured differently from operating profit in consolidated financial statements.

Inter-segment revenue is priced along the same lines as sales to external customers and conditions and is eliminated on the consolidated financial statements. These policies have been applied constantly throughout the current and previous financial years.

Group 2013	Manufacturing of wood products RM	Distributing of wood products RM	Other operating segments RM	Total RM
Revenue				
Total revenue	95,438,133	330,686,136	9,188,111	435,312,380
Inter-segment revenue	(9,729,289)	(166,202)	(9,188,111)	(19,083,602)
Revenue from external customers	85,708,844	330,519,934	-	416,228,778
Interest income	137,858	139,231	312,321	589,410
Finance costs	(532,755)	(2,435,982)	(266,022)	(3,234,759)
Net interest (expense)/income	(394,897)	(2,296,751)	46,299	(2,645,349)
Depreciation of property, plant and equipment	(1,029,346)	(765,960)	(181,417)	(1,976,723)
Amortisation of prepaid lease payments for land	(18,658)	(156,685)	-	(175,343)
Segment profit/(loss) before income tax	**5,634,631**	**14,342,554**	**(1,341,211)**	**18,635,974**
Tax expense	(1,165,698)	(3,191,224)	(243,095)	(4,600,017)
Other material non-cash items:				
- Impairment losses on trade and other receivables	-	(181,147)	-	(181,147)
- Inventories written down	(54,068)	-	-	(54,068)
Additions to non-current assets other than financial instruments and deferred tax assets	609,247	246,054	2,246,337	3,101,638
Segment assets	**76,450,430**	**173,025,745**	**28,612,656**	**278,088,831**
Segment liabilities	**23,045,838**	**87,425,902**	**7,592,977**	**118,064,717**

36. OPERATING SEGMENTS (continued)

Group 2012	Manufacturing of wood products RM	Distributing of wood products RM	Other operating segments RM	Total RM
Revenue				
Total revenue	98,630,569	305,382,448	48,074,650	452,087,667
Inter-segment revenue	(18,814,377)	(13,326,455)	(48,074,650)	(80,215,482)
Revenue from external customers	79,816,192	292,055,993	-	371,872,185
Interest income	97,371	85,407	245,374	428,152
Finance costs	(568,442)	(2,497,547)	(263,199)	(3,329,188)
Net interest (expense)/income	(471,071)	(2,412,140)	(17,825)	(2,901,036)
Depreciation of property, plant and equipment	(1,065,354)	(777,986)	(169,255)	(2,012,595)
Amortisation of prepaid lease payments for land	(18,457)	(116,124)	-	(134,581)
Segment profit/(loss) before income tax	**7,673,545**	**17,400,898**	**(1,233,757)**	**23,840,686**
Tax expense	(1,736,079)	(4,006,560)	(247,331)	(5,989,970)
Other material non-cash items:				
- Impairment losses on trade and other receivables	-	(129,176)	-	(129,176)
- Inventories written down	(150,000)	-	-	(150,000)
Additions to non-current assets other than financial instruments and deferred tax assets	573,389	507,735	2,198,746	3,279,870
Segment assets	**65,606,461**	**150,686,386**	**24,927,899**	**241,220,746**
Segment liabilities	**21,279,955**	**64,762,465**	**6,203,866**	**92,246,286**

The Group does not have significant reliance on a single major customer, with whom the Group transacted ten (10) percent or more of its revenue during the financial year.

Geographical segments

The manufacturing facilities and sales offices of the Group are mainly based in Malaysia, Australia, Singapore and Vietnam.

In presenting information on the basis of geographical areas, segment revenue is based on the geographical location from which the sale transactions originated.

Segment assets are based on the geographical location of the Group's assets. The non-current assets do not include financial instruments.

(a) Revenue from external customers

	2013 RM	2012 RM
Malaysia	351,172,711	306,499,154
Australia	15,488,583	24,697,651
Singapore	15,927,492	12,795,774
United States of America and European countries	5,961,616	3,971,593
Other Asia-Pacific countries	27,678,376	23,908,013
	416,228,778	371,872,185

(b) Non-current assets

	2013 RM	2012 RM
Malaysia	60,598,173	59,437,631
Singapore	9,091,385	8,213,441
Australia	33,761	58,450
Vietnam	2,647,764	2,612,261
	72,371,083	70,321,783

37. FINANCIAL INSTRUMENTS

(a) Capital management

The objective of the Group's capital management is to ensure that it maintains healthy ratios in order to support its business operations and to provide fair returns for shareholders and benefits for other stakeholders.

The Group manages its capital structure and makes adjustments to it, as deemed appropriate. In order to maintain or adjust the capital structure, the Group may, from time to time, adjust the dividend payout to shareholders, issue new shares and redeem debts, where necessary. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2013 and financial year ended 31 March 2012.

The Group regards net debt to include all loans and borrowings less cash and cash equivalents (including deposits with licensed banks and short term funds) and capital to include all equities attributable to the equity holders of the Company, details of which are as follows:-

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Borrowings	89,936,202	65,325,898	-	3,685
Amounts owing to subsidiaries	-	-	7,542,148	8,314,502
Trade and other payables	23,780,659	22,450,744	269,323	223,925
	113,716,861	87,776,642	7,811,471	8,542,112
Less:				
Cash and cash equivalents	(27,922,712)	(23,550,527)	(10,165,098)	(9,051,639)
Net debt	85,794,149	64,226,115	(2,353,627)	(509,527)
Equity attributable to owners of the parent	160,024,114	148,974,460	70,795,621	67,511,680
Capital and net debt	245,818,263	213,200,575	68,441,994	67,002,153
Gearing ratio	35%	30%	-	-

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity equal to or not less than the 25% of the issued and paid-up capital and such shareholders' equity is not less than RM40,000,000. The Group has complied with this requirement for the financial year ended 31 March 2013.

(b) Financial instruments

Categories of financial instruments

Group 2013	Loans and receivables RM	Total RM
Financial assets		
Trade and other receivables	95,286,825	95,286,825
Cash and cash equivalents	27,922,712	27,922,712
	123,209,537	123,209,537

	Other financial liabilities RM	Total RM
Financial liabilities		
Borrowings	89,936,202	89,936,202
Trade and other payables	23,780,659	23,780,659
	113,716,861	113,716,861

37. FINANCIAL INSTRUMENTS (continued)

(b) Financial instruments (continued)

Categories of financial instruments (continued)

Group 2012	Loans and receivables RM	Total RM
Financial assets		
Trade and other receivables	85,026,830	85,026,830
Cash and cash equivalents	23,550,527	23,550,527
	108,577,357	108,577,357

	Other financial liabilities RM	Total RM
Financial liabilities		
Borrowings	65,325,898	65,325,898
Trade and other payables	22,450,744	22,450,744
	87,776,642	87,776,642

Company 2013	Loans and receivables RM	Total RM
Financial assets		
Other receivables	3,419	3,419
Amounts owing by subsidiaries	54,228,024	54,228,024
Cash and cash equivalents	10,165,098	10,165,098
	64,396,541	64,396,541

	Other financial liabilities RM	Total RM
Financial liabilities		
Amounts owing to subsidiaries	7,542,148	7,542,148
Other payables	269,323	269,323
	7,811,471	7,811,471

Company 2012	Loans and receivables RM	Total RM
Financial assets		
Other receivables	1,000	1,000
Amounts owing by subsidiaries	52,916,247	52,916,247
Cash and cash equivalents	9,051,639	9,051,639
	61,968,886	61,968,886

	Other financial liabilities RM	Total RM
Financial liabilities		
Amounts owing to subsidiaries	8,314,502	8,314,502
Borrowings	3,685	3,685
Other payables	223,925	223,925
	8,542,112	8,542,112

37. FINANCIAL INSTRUMENTS (continued)

(c) Fair value of financial instruments

The fair value of financial instruments that are not carried at fair value and whose carrying amounts do not approximate its fair value are as follows:

31 March 2013	Group Carrying amount	Group Fair value
Financial liabilities		
Finance lease payables	45,328	45,993
Hire purchase creditors	127,392	135,389

31 March 2012	Group Carrying amount	Group Fair value
Financial liabilities		
Finance lease payables	101,902	104,775
Hire purchase creditors	246,255	260,343

(d) Determination of fair value

Methods and assumptions used to estimate fair value

The fair value of financial assets and financial liabilities are determined as follows:

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

The carrying amounts of financial assets and financial liabilities, such as trade and other receivables, amounts owing by/(to) subsidiaries, trade and other payables and borrowings, are reasonable approximation of fair value, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying amount of the current position of borrowing is reasonable approximation of fair value due to the insignificant impact of discounting.

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to credit risk, liquidity and cash flow risk, interest rate risk and foreign currency risk. The Group's overall financial risk management objective is to minimise potential adverse effects on the financial performance of the Group.

The Group's overall business strategies, its tolerance of risk and its general risk management philosophy are determined by the management in accordance with prevailing economic and operating conditions. Financial risk management is carried out through risk review, internal control systems and adherence to the Group's financial risk management policies. The Group does not have financial instruments for trading purposes.

The Group's management policies for managing each of the financial risk are summarised below:

(a) Credit risk

Cash deposits and trade receivables may give rise to credit risk, which requires the loss to be recognised if a counter party fails to perform as contracted. Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group's exposure and the creditworthiness of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by the counterparty limits that are reviewed and approved by management annually.

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Credit risk (continued)

Exposure to credit risk

The Group's primary exposure to credit risk arises through its trade receivables. The carrying amount of financial assets as recorded in the financial statements, grossed up for any allowances for impairment losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Credit risk concentration profile

The Group and the Company determine concentration of credit risk by identifying and monitoring any significant long outstanding balance owing by any major customer or counter party on an on-going basis.

The Group and the Company do not have any significant concentration of credit risk as at the end of the reporting period.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 15 to the financial statements. Deposits with licensed banks and other financial institutions that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 15 to the financial statements.

(b) Liquidity and cash flow risk

Liquidity risk is the risk that the Group is unable to service its cash obligations in the future. To mitigate this risk, the management measures and forecasts its cash commitments, monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	On demand or within one year RM	One to five year RM	Over five year RM	Total RM
As at 31 March 2013				
Group				
Financial liabilities:				
Trade and other payables	23,780,659	-	-	23,780,659
Borrowings	84,655,108	5,929,735	-	90,584,843
Total undiscounted financial liabilities	108,435,767	5,929,735	-	114,365,502
Company				
Financial liabilities:				
Other payables	269,323	-	-	269,323
Amount owing to subsidiaries	7,542,148	-	-	7,542,148
Total undiscounted financial liabilities	7,811,471	-	-	7,811,471
As at 31 March 2012				
Group				
Financial liabilities:				
Trade and other payables	22,450,744	-	-	22,450,744
Borrowings	60,058,571	5,529,059	132,679	65,720,309
Total undiscounted financial liabilities	82,509,315	5,529,059	132,679	88,171,053
Company				
Financial liabilities:				
Other payables	223,925	-	-	223,925
Borrowings	3,685	-	-	3,685
Amount owing to subsidiaries	8,314,502	-	-	8,314,502
Total undiscounted financial liabilities	8,542,112	-	-	8,542,112

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's exposure to market risk for changes in interest rates relates primarily to the interest-earning deposits placed with licensed banks and interest-bearing borrowing. The Group does not use derivative financial instruments to hedge its risk.

The following tables set out the carrying amounts, the average effective interest rates as at the end of the reporting period and the remaining maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk:

Group	Note	Average effective interest rate %	Within 1 year RM	1 - 2 year RM	2 - 3 year RM	3 - 4 year RM	4 - 5 year RM	More than 5 year RM	Total RM
As at 31 March 2013									
Fixed rates instruments									
Deposits with licensed banks	17	3.15	18,000,000	-	-	-	-	-	18,000,000
Finance lease payables	22	3.60	(45,328)	-	-	-	-	-	(45,328)
Hire purchase creditors	23	5.22	(80,207)	(47,185)	-	-	-	-	(127,392)
Floating rate instruments									
Bankers' acceptances	20	4.92	(76,506,949)	-	-	-	-	-	(76,506,949)
Bank overdraft	20	7.68	(1,373,884)	-	-	-	-	-	(1,373,884)
Term loans	21	4.94	(1,348,014)	(1,209,070)	(1,915,272)	(2,017,774)	(259,757)	-	(6,749,887)
Trust receipts	20	4.19	(5,132,762)	-	-	-	-	-	(5,132,762)
As at 31 March 2012									
Fixed rates instruments									
Deposits with licensed banks	17	3.17	17,079,465	-	-	-	-	-	17,079,465
Finance lease payables	22	3.60	(57,494)	(44,408)	-	-	-	-	(101,902)
Hire purchase creditors	23	4.47	(117,547)	(80,828)	(47,880)	-	-	-	(246,255)
Floating rate instruments									
Bankers' acceptances	20	4.35	(51,757,773)	-	-	-	-	-	(51,757,773)
Bank overdraft	20	7.88	(2,448,251)	-	-	-	-	-	(2,448,251)
Term loans	21	4.52	(1,183,746)	(905,430)	(774,543)	(1,458,322)	(1,807,967)	-	(6,130,008)
Trust receipts	20	3.32	(4,641,709)	-	-	-	-	-	(4,641,709)

Company	Note	Average effective interest rate %	Within 1 year RM	Total RM
As at 31 March 2013				
Fixed rates instruments				
Deposits with licensed banks	17	3.15	10,000,000	10,000,000
As at 31 March 2012				
Fixed rates instruments				
Deposits with licensed banks	17	3.15	9,000,184	9,000,184
Floating rate instruments				
Bank overdraft	20	7.88	3,685	3,685

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Interest rate risk (continued)

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group if interest rates at the end of reporting period changed by 100 basis points with all other variables held constant:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Profit after tax				
- Increase by 1% (2012: 1%)	539,500	361,900	75,000	67,500
- Decrease by 1% (2012:1%)	(539,500)	(361,900)	(75,000)	(67,500)

The sensitivity is higher in 2013 than in 2012 because of an increase in outstanding borrowings during the financial year. The assumed movement in basis points for interest rate sensitivity analysis is based on current observable market environment.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates.

Subsidiaries operating in Australia, Singapore and Vietnam have assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currencies that give rise to foreign exchange exposures.

The foreign currency in which these transactions are denominated are mainly United States Dollar ('USD'), Singapore Dollar ('SGD'), Australian Dollar ('AUD'), Vietnamese Dong ('VND') and Brunei Dollar ('BND'). The Group manages its transactional currency exposures by matching as far as possible, its receipts and payments in each individual currency. The Group monitors the foreign currency exchange rates closely so as to minimise the potential material adverse effects from these exposures in a timely manner.

The following table demonstrates the sensitivity of the Group to a reasonably possible change in the United States Dollar ('USD'), Singapore Dollar ('SGD'), Australian Dollar ('AUD'),Vietnamese Dong ('VND') and Brunei Dollar ('BND') exchange rates against the respective functional currencies of the Group entities, with all other variables held constant:

	Group	
	2013 RM	2012 RM
Profit after tax		
USD/RM - strengthen by 5% (2012: 5%)	(138,400)	(24,600)
- weaken by 5% (2012: 5%)	138,400	24,600
SGD/RM - strengthen by 5% (2012: 5%)	(86,900)	(54,200)
- weaken by 5% (2012: 5%)	86,900	54,200
AUD/RM - strengthen by 5% (2012: 5%)	50,600	40,000
- weaken by 5% (2012: 5%)	(50,600)	(40,000)
VND/RM - strengthen by 5% (2012: 5%)	62,400	11,000
- weaken by 5% (2012: 5%)	(62,400)	(11,000)
BND/RM - strengthen by 5% (2012: 5%)	16,800	22,400
- weaken by 5% (2012: 5%)	(16,800)	(22,400)

39. CONTINGENT LIABILITIES

	Company	
	2013 RM	2012 RM
Unsecured		
Corporate guarantee given to banks for credit facilities granted to subsidiaries	94,372,834	70,163,887

The Directors are of the view that the fair value of such corporate guarantee is negligible as the chances of the financial institutions to call upon the corporate guarantee are remote.

40. SIGNIFICANT EVENT DURING THE FINANICAL YEAR

On 7 March 2013, the Company's wholly-owned subsidiary, Ecopanel Industries Sdn. Bhd. had entered into a sale and purchase agreement with a third party for the acquisition of a piece of agriculture land in the Mukim of Kajang, District of Ulu Langat, Selangor for a purchase consideration of RM10,328,200.

41. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 27 May 2013, the Group subscribed for 49% equity of a company incorporated in Thailand, namely Favor Woodpanel (Thailand) Co. Ltd. for a total consideration of RM99,344 (Thai Baht 980,000 equivalent), through its wholly owned subsidiaries, Combi Trading Sdn. Bhd. and Ikta Sdn. Bhd.

42. EXPLANATION OF TRANSITION TO MFRS

The Group and the Company are non-transitioning entities as defined by the MASB, and has adopted the MFRS Framework during the financial year ended 31 March 2013. Accordingly, these are the first financial statements of the Group and of the Company prepared in accordance with MFRSs.

The accounting policies set out in Note 4 to the financial statements have been applied in preparing the financial statements of the Group and of the Company for the financial year ended 31 March 2013, as well as comparative information presented in these financial statements for the financial year ended 31 March 2012 and in the preparation of the opening MFRS statements of financial position at 1 April 2011 (the date of transition of the Group to MFRSs).

The Group and the Company have no adjusted amounts previously reported in financial statements that were prepared in accordance with the previous FRS Frameworks. In preparing the opening statement of financial position at 1 April 2011, there is no impact arising from the transition from FRSs to MFRSs on the Company's financial position, financial performance and cash flows. The Group has elected, on the date of transition, to apply the transitional provisions of paragraph D2 of MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards and not apply the requirements of MFRS 2 Share-based Payment to the equity instruments granted after 7 November 2002 and vested before 1 April 2011.

43. SUPPLEMENTARY INFORMATION ON REALISED AND UNREALISED PROFITS OR LOSSES

The retained earnings as at the end of the reporting period may be analysed as follows:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Total retained earnings:				
- Realised	77,475,471	69,742,842	3,379,207	2,656,742
- Unrealised	(3,423,664)	(3,061,329)	-	-
	74,051,807	66,681,513	3,379,207	2,656,742
Less: Consolidation adjustments	(5,146,216)	(5,146,216)	-	-
Total Group/Company retained earnings as per Consolidated/ Company financial statements	68,905,591	61,535,297	3,379,207	2,656,742

ANALYSIS
OF SHAREHOLDINGS
AS AT 29 JULY 2013

Authorised Capital	: RM 100,000,000
Issued and Paid-up Capital	: RM 67,636,090
Class of Shares	: Ordinary Shares of RM 0.50 each
Voting Rights	: One vote per ordinary share

SIZE OF SHAREHOLDINGS

SIZE OF HOLDINGS			NO. OF HOLDERS	%	NO. OF SHARES	%
1	-	99	64	4.020	2,740	0.002
100	-	1,000	318	19.975	107,497	0.079
1,001	-	10,000	722	45.352	3,325,400	2.458
10,001	-	100,000	364	22.864	11,470,609	8.480
100,001	-	6,763,608 *	123	7.726	58,503,154	43.248
6,763,609	AND ABOVE **		1	0.063	61,862,780	45.732
TOTAL :			1,592	100.00	135,272,180	100.00

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

DIRECTORS' SHAREHOLDINGS

NAME	DIRECT		INDIRECT	
	NO. OF SHARE HELD	%	NO. OF SHARE HELD	%
TEO AH BAH @ TEO CHUANG KWEE	841,865	0.62	* 995,926	0.74
CHA AKU WAI @ SIA AH KOW	1,847,584	1.37	** 63,101,818	46.65
KUAH BOO CHENG @ KUAH KWAI YOKE	881,976	0.65	-	-
CHAI SOON TOO	862,489	0.64	-	-
OWEE GEOK CHOON	628,253	0.46	*** 42,000	0.03
HJ MOHD KHALID BIN IDRIS	-	-	-	-
TAN MENG POO	29,400	0.02	-	-
JOHNSON KANDASAMY A/L DAVID NAGAPPAN	-	-	-	-
WALDERSEE CHAN CHUNG CHING	1,000,000	0.74	****1,429,594	1.06
TEO YU CHIN (ALTERNATE DIRECTOR TO TEO AH BAH @ TEO CHUANG KWEE)	119,570	0.09	-	-

* Deemed interest through his spouse, Chung Ek Fong.
** Deemed interest by virtue of his interest in NS Pacific Sdn Bhd and through his spouse, Teo Chiew Peng.
*** Deemed interest through his spouse, Chua Yew Yew.
**** Deemed interest through his spouse, Cha Shi Jiu.

SUBSTANTIAL SHAREHOLDERS WITH HOLDINGS OF 5% AND ABOVE

NAME	DIRECT		INDIRECT	
	NO. OF SHARE HELD	%	NO. OF SHARE HELD	%
NS PACIFIC SDN BHD	61,862,780	45.73	-	-
CHA AKU WAI @ SIA AH KOW	1,847,584	1.37	* 63,101,818	46.65
TEO CHIEW PENG	1,239,038	0.92	** 63,710,364	47.10

* Deemed interest by virtue of his interest in NS Pacific Sdn Bhd and through his spouse, Teo Chiew Peng.
** Deemed interest through her spouse, Cha Aku Wai @ Sia Ah Kow.

THIRTY LARGEST SHAREHOLDERS

	Name	No. of Share Held	%
1	NS PACIFIC SDN BHD	61,862,780	45.73
2	TAMAN BUNGA MERLIMAU SDN. BHD.	4,327,400	3.20
3	ASIA SELATAN (M) SDN. BHD.	3,578,700	2.65
4	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR WONG AH FAH	2,150,000	1.59
5	CHA AKU WAI @ SIA AH KOW	1,847,584	1.37
6	AMSEC NOMINEES (TEMPATAN) SDN BHD TEO CHOON KIAT @ TEO CHUAN KIT	1,842,861	1.36
7	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR TEH YUET YING @ TEH SWEE ING	1,661,000	1.23
8	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR LEE BOON HOW	1,627,000	1.20
9	TEO AH MOI @ TEO TIANG TIANG	1,472,819	1.09
10	TAN AH SIM @ TAN SIEW WAH	1,444,785	1.07
11	CHA SHI JIU	1,429,594	1.06
12	TEO CHIEW PENG	1,239,038	0.92
13	AMSEC NOMINEES (ASING) SDN BHD ONG TENG SER	1,104,479	0.82
14	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR CHOOI WOON FUN	1,095,200	0.81
15	WALDERSEE CHAN CHUNG CHING	1,000,000	0.74
16	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOONG FOONG MING	999,500	0.74
17	AMSEC NOMINEES (TEMPATAN) SDN BHD CHUNG EK FONG	995,926	0.74
18	KUAH BOO CHENG (KUAH KWAI YOKE)	881,976	0.65
19	CHAI SOON TOO	862,489	0.64
20	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR OH KIM SUN	854,460	0.63
21	TEO AH BAH @ TEO CHUANG KWEE	841,865	0.62
22	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHIEW YEP	839,100	0.62
23	CHIN ING YEN	826,500	0.61
24	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KIT	825,500	0.61
25	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR CHONG SCHOK CHONG	740,000	0.55
26	TEO YING YING	721,773	0.53
27	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR CHONG PONG SING @ CHONG LING KWEE	720,000	0.53
28	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR HO YIT FATT	689,000	0.51
29	TAN HON KIAT @ TAN HOON SIONG	668,864	0.49
30	HO YIT FATT	654,100	0.48

LIST
OF PROPERTIES

No	Address	Built-up area (sq.m)	Land area (sq.m)	Description / Existing Use	Tenure	Age of building (years)	Audited Net Book Value as at 31 March 2013 RM	Date of revaluation	Date of Acquisition
1	Lot 3918, PN 6753 (Formerly Lot PT 348, HSD 26394) Mukim 13, District of Seberang Perai Tengah, Pulau Pinang	2,017.4	4,053.0	A single storey detached factory with annex 2-storey office block	Leasehold 99 years expiring on 29.11.2108	16	2,317,990	23.04.2011	17.06.1995
2	Lot PT 43314 H.S.(D) 128747 Mukim of Petaling, District of Petaling, State of Selangor	2,295.3	4,047.0	A single storey detached factory with annex two storey office block	Freehold	15	4,914,580	19.03.2011	11.03.1996
3	Lot MK 7-3134M 22, Tuas View Square Singapore 637603	1,520.6	2,166.0	Single storey detached factory with three storey ancillary office	Leasehold 60 years expiring on 29.10.2056	12	# 11,957,280	27.04.2013	12.03.1999
4	Lot MLO 5502, HSD 34056, Mukim of Senai, District of Kulai Jaya, State of Johor	4,337.0	10,421.0	A single storey factory with annex two storey office block	Freehold	21	4,726,479	17.03.2011	21.12.1999
5	Lot PTD 41088, HSD 22974, Mukim of Senai, District of Kulai Jaya, State of Johor	3,530.8	8,317.3	A single storey factory with annex 2-storey factory block	Freehold	17	3,993,857	17.03.2011	25.09.2002
6	Lots 1439 of Section 66, District of Kuching, Town Land District, State of Sarawak	1,174.0	1,310.0	One unit of double-storey semi-detached industrial warehouse cum office building	Leasehold 60 years expiring on 22.01.2052	N/A	785,894	21.01.2011	17.01.2005
7	Lots 2246 of Section 66, District of Kuching, Town Land District, State of Sarawak	589.9	774.6	One unit of double-storey semi-detached industrial warehouse cum office building	Leasehold 60 years expiring on 25.10.2055	N/A	445,209	21.01.2011	17.01.2005
8	Lot 60323, PN 6413, Mukim of Kuala Kuantan, District of Kuantan, State of Pahang	614.1	975.0	A 1 1/2- storey semi-detached factory	Leasehold 99 years expiring on 29.03.2097	15	348,344	26.03.2011	26.01.2005
9	Lot PTD 2805, HSM 1307, Mukim of Sungai Terap, District of Muar, State of Johor	7,310.6	11,759.1	An individually designed and constructed factory complex	Freehold	7	5,865,809	21.03.2011	25.01.2006
10	Lot 42, Geran Mukim 214, Mukim of Tebrau, District of Johor Bahru, State of Johor	N/A	12,115.0	One adjoining plot of vacant agricultural titled land	Freehold	N/A	2,608,000	13.01.2011	26.01.2006
11	Lot 93, Geran Mukim 216, Mukim of Tebrau, District of Johor Bahru, State of Johor	N/A	37,686.0	One adjoining plot of vacant agricultural titled land completed with earthworks	Freehold	N/A	8,271,580	13.01.2011	26.01.2006
12	No 8, Jalan Gemilang 1 , Taman Perindustrian Maju Jaya , District of Johor Bahru , State of Johor	5,632.0	10,631.5	A single storey industrial warehouse	Freehold	< 1	7,259,262	13.01.2011	26.01.2006
13	No 2, Jalan Gemilang 1 , Taman Perindustrian Maju Jaya , District of Johor Bahru , State of Johor	11,182.6	16,187.4	A single storey detached factory with two storey office block	Freehold	3	13,501,981	13.01.2011	26.01.2006
14	No. 3, VSIP II Street 6, Viet Nam-Singapore Industrial Park II, Binh Duong Urban Complex of Industries Services, Hoa Phu Ward, Thu Dat Mot City, Binh Duong Province, Vietnam	3,492.0	13,428.0	Single storey detached factory building with double storey office annex	Leasehold 50 years expiring on 27.07.2055	4	* 1,991,863	17.05.2011	23.01.2007

equivalent to Singapore Dollar 4.80 million
* equivalent to Vietnam Dong 13.50 billion

PROXY FORM

No. of Shares held	CDS Account No.

I/We ____

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

____

being a Member/Members of DOMINANT ENTERPRISE BERHAD hereby appoint :

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

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

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

or failing them, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the Twenty-First Annual General Meeting of the Company to be held at Grand Paragon Hotel, Sapphire 3 Hall, Level 4, No. 18, Jalan Harimau, Taman Century, 80250 Johor Bahru, Johor Darul Takzim on Monday, 23 September 2013 at 10.00 a.m. and any adjournment thereof.

Item	Agenda	RESOLUTION	*FOR	*AGAINST
1.	To receive Audited Financial Statements and Reports			
ORDINARY BUSINESS		**RESOLUTION**	***FOR**	***AGAINST**
2.	Approval of Final Dividend	1		
3.	Approval of Directors' Fee	2		
4.	Re-election of Directors who retire pursuant to Article 84 of the Company's Article of Association : a. Mr. Cha Aku Wai @ Sia Ah Kow	3		
	b. Mr. Tan Meng Poo	4		
	c. Mr. Johnson Kandasamy A/L David Nagappan	5		
5.	Re-appointment of Messrs. BDO as Auditors	6		
SPECIAL BUSINESS				
6.	Continuing in office for the following Directors as Independent Non-Executive Directors : a. Mr. Tan Meng Poo	7		
	b. Mr. Johnson Kandasamy A/L David Nagappan	8		
	c. Tuan Hj Mohd Khalid Bin Idris	9		
7.	Authority to Directors to issue shares pursuant to Section 132D of the Companies Act, 1965	10		
8.	Proposed Amendments to Articles of Association of the Company	11		

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

Dated this : _________ day of ______________ 2013

____
Signature/Common Seal of Shareholder

Notes :

1. A member of the Company entitled to attend and vote at the meeting may appoint a proxy or proxies (but not more than two) to attend and vote in his/her stead. A proxy may but need not be a member of the Company.
2. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her holding to be represented by each proxy.
3. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 is allowed to appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. 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 authoirsed nominee may appoint in respect of each omnibus account it holds.
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 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 Darul Takzim not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
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 54(2) 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 13 September 2013 and only a Depositor whose name appear on such Record of Depositors shall be entitled to attend this meeting.

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AFFIX
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THE COMPANY SECRETARY
DOMINANT ENTERPRISE BERHAD (221206-D)
Suite 1301, 13th Floor, City Plaza,
Jalan Tebrau,
80300 Johor Bahru,
Johor Darul Takzim, Malaysia

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