

A N N U A L R E P O R T 2 0 1 6



PINTARAS JAYA BERHAD
(189900H)

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Seventh Annual General Meeting (“AGM”) of the Company will be held at Topas Room, The Saujana Hotel Kuala Lumpur, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Tuesday, 18th October 2016 at 9:30 a.m. for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 June 2016 together with the Reports of the Directors and Auditors thereon. (Please refer to Note A)
2. To approve the payment of a final single-tier dividend of 12 sen per share for the financial year ended 30 June 2016. (Resolution 1)
3. To approve the payment of Directors’ fees of RM75,000 for the financial year ended 30 June 2016. (Resolution 2)
4. To re-elect the following Directors who are retiring in accordance with Article 73 of the Company’s Articles of Association, and being eligible, have offered themselves for re-election :-
 - i) Dr. Chiu Hong Keong (Resolution 3)
 - ii) Mr. Chiu Wei Wen (Resolution 4)
 - iii) Mr. Arnold Kwan Poon Keong (Resolution 5)
5. To re-appoint Messrs. PricewaterhouseCoopers 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 Ordinary Resolutions with or without modifications:-

6. Proposed Retention of Independent Non-Executive Directors

“**THAT** approval be and is hereby given to the following Directors who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine years, to continue to act as Independent Non-Executive Directors of the Company in accordance with the Malaysian Code on Corporate Governance 2012:-

- i) Mr. Kong Kim Piew; and (Resolution 7)
- ii) Mr. Chang Cheng Wah”. (Resolution 8)

7. Authority to Issue Shares (Resolution 9)

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



NOTICE OF ANNUAL GENERAL MEETING

8. **Proposed Renewal of Authority for the Company to Purchase its Own Shares**
("Proposed Renewal of Share Buy-Back Authority")

(Resolution 10)

"THAT subject always to the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised to purchase such amount of ordinary shares of RM1.00 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit and expedient in the interest of the Company, provided that:-

- (i) the aggregate number of shares purchased or held as treasury shares does not exceed 10% of the total issued and paid-up share capital of the Company as quoted on Bursa Securities as at the point of purchase;
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares be backed by an equivalent amount of retained profits and/or share premium; and
- (iii) the Directors of the Company may decide either to retain the shares purchased as treasury shares, or cancel the shares, or retain part of the shares so purchased as treasury shares and cancel the remainder, or to resell the shares, or distribute the shares as dividends;

AND THAT the authority conferred by this resolution will commence after the passing of this ordinary resolution and will continue to be in force until:-

- (i) the conclusion of the next AGM at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the shares with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto."

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



NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN that subject to the approval of the shareholders at the Twenty-Seventh AGM, a final single-tier dividend of 12 sen per ordinary share of RM1.00 each for the financial year ended 30 June 2016 will be paid on 12th January 2017 to shareholders whose names appear on the Record of Depositors at the close of business on 28 December 2016.

A depositor shall qualify for entitlement only in respect of:-

- (a) Shares transferred into the Depositor's Securities Account before 4:00 p.m. on 28 December 2016 in respect of ordinary transfers; and
- (b) Shares bought on the Bursa Securities on a cum entitlement basis according to the Rules of the Bursa Securities.

By Order of the Board

ANNA LEE AI LENG (LS 0009729)

LIM LEE KUAN (MAICSA 7017753)

Company Secretaries

Shah Alam

23 September 2016

Notes:-

- A. *This 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 and hence, is not put forward for voting.*
- 1. *A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.*
- 2. *To be valid, the instrument appointing a proxy duly completed must be deposited at the Registered Office at No. 8, Jalan Majistret U1/26, HICOM-Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the meeting.*
- 3. *A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that the provisions of Section 149(1)(c) of the Companies Act, 1965 are complied with.*
- 4. *Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), 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.*
- 5. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*
- 6. *Where a member appoints more than one (1) proxy the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.*
- 7. *If the appointor is a corporation, the instrument appointing a proxy must be executed under its Common Seal or under the hand of its attorney.*
- 8. *A depositor shall not be regarded as a member entitled to attend this general meeting and to speak and vote thereat unless his/her name appears in the Register of Members and/or Record of Depositors as at 12 October 2016 issued by Bursa Malaysia Depository Sdn Bhd ("Bursa Depository") upon request by the Company in accordance with the rules of the Bursa Depository.*



NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes on Special Business

9. *Proposed retention of Independent Non-Executive Directors (Resolutions 7 and 8)*

The Board of Directors has assessed the independence of the Independent Non-Executive Directors and is unanimous in its recommendation that Mr. Kong Kim Piew and Mr. Chang Cheng Wah shall remain as Independent Non-Executive Directors of the Company as they are qualified and can be entrusted to discharge their duties and responsibilities independently and objectively notwithstanding their tenure on the Board. They have performed their roles diligently and in the best interest of the Company. Once their respective resolutions are approved at the forthcoming AGM, they will continue their office as Independent Non-Executive Director.

10. *Authority to Issue Shares (Resolution 9)*

The proposed Resolution 9 will give powers to the Directors of the Company to issue ordinary shares in the capital of the Company up to an aggregate amount of not exceeding 10% of the issued share capital of the Company for the time being for the purpose of increasing the capacity of current business operations for long term growth and to cater for additional working capital requirements in line with the Company's expansion and diversification plans. This is a renewal of a general mandate. The Company did not utilise the mandate granted in the preceding year's AGM and accordingly no proceeds were raised.

This authority, unless revoked or varied at a General Meeting, will expire at the next AGM of the Company.

11. *Proposed Renewal of Share Buy-Back Authority (Resolution 10)*

The details of the Proposed Renewal of Share Buy-Back Authority are set out in the Statement to Shareholders dated 23 September 2016 despatched together with the Annual Report.



CORPORATE INFORMATION

BOARD OF DIRECTORS

DR CHIU HONG KEONG
Chairman/Managing Director

KHOO KEOW PIN
Executive Director

KHOO YOK KEE
Executive Director

CHIU WEI WEN
Executive Director

KONG KIM PIEW
Independent Non-Executive Director

CHANG CHENG WAH
Independent Non-Executive Director

ARNOLD KWAN POON KEONG
Independent Non-Executive Director

COMPANY SECRETARIES

ANNA LEE AI LENG
LIM LEE KUAN

REGISTERED OFFICE

NO. 8 JALAN MAJISTRET U1/26
HICOM-GLENMARIE INDUSTRIAL PARK
40150 SHAH ALAM
SELANGOR DARUL EHSAN
Tel : 03-5569 1516
Fax : 03-5569 1517
E-Mail : info@pintaras.com.my
Website : www.pintaras.com.my

REGISTRAR

SYMPHONY SHARE REGISTRARS SDN BHD
LEVEL 6 SYMPHONY HOUSE
PUSAT DAGANGAN DANA 1
JALAN PJU 1A/46
47301 PETALING JAYA
SELANGOR DARUL EHSAN
Tel : 03-7841 8000
Fax : 03-7841 8008

PRINCIPAL BANKER

MALAYAN BANKING BERHAD

AUDITORS

MESSRS PRICEWATERHOUSECOOPERS
CHARTERED ACCOUNTANTS
10TH FLOOR 1 SENTRAL
JALAN RAKYAT
KUALA LUMPUR SENTRAL
50706 KUALA LUMPUR

STOCK EXCHANGE LISTING

MAIN MARKET OF BURSA MALAYSIA
SECURITIES BERHAD



PROFILE OF DIRECTORS

DR CHIU HONG KEONG

Dr. Chiu Hong Keong, a Malaysian, aged 61 is the founder member of Pintaras Jaya Berhad (“Pintaras Jaya”) and was appointed as the Managing Director of the Company since 23 November 1989 and elected as the Chairman of the Board on 18 October 1994. He is a member of the Risk Management Committee. He graduated with a Bachelor of Civil Engineering degree (1st Class Honours) from the University of Auckland, New Zealand in 1977 and obtained his Doctorate of Philosophy degree in Engineering from Monash University, Australia in 1982. He worked as a Geotechnical Engineer with the Victorian Country Roads Board of Australia for a brief stint before returning to Malaysia to join Pilecon Engineering Bhd in 1982 as a Geotechnical Engineer. In 1983, he joined Ho Hup Construction Company Sdn Bhd from 1984 until 1989. He holds a total of 95,234,096 shares (direct and indirect) in Pintaras Jaya and is deemed to have an interest in the shares of the subsidiary companies to the extent held by Pintaras Jaya. He is the spouse of Madam Khoo Yok Kee, an Executive Director and a deemed major shareholder of Pintaras Jaya, and the father of Mr. Chiu Wei Wen, an Executive Director of Pintaras Jaya.

KHOO KEOW PIN

Mr. Khoo Keow Pin, a Malaysian, aged 59 is an Executive Director of Pintaras Jaya. He was appointed to the Board on 14 December 1989. He is a member of the Risk Management and Employee Share Option Scheme (“ESOS”) Committees. He graduated with a Bachelor of Science degree in Civil Engineering from Cheng-Kung University, Taiwan in 1980 and obtained his Master in Geotechnical Engineering degree from the University of Toronto, Canada in 1983. He worked for Kemas Konsult Consulting Engineers as a Geotechnical Engineer from 1983 to 1984 and later for Ho Hup Construction Company Sdn Bhd from 1984 to 1989. He has extensive experience in the design and construction of piling and foundation works for bridges, multi-storey buildings and housing projects. He holds a total of 10,513,304 shares directly in Pintaras Jaya and is deemed to have an interest in the shares of the subsidiary companies to the extent held by Pintaras Jaya. He has no family relationship with any Director and/or major shareholder of Pintaras Jaya.

KHOO YOK KEE

Madam Khoo Yok Kee, a Malaysian, aged 56 is an Executive Director of Pintaras Jaya. She was appointed to the Board on 18 March 1991. She serves as the Chairperson of the Risk Management and ESOS Committees. She graduated with a Bachelor of Economics (Accounting) degree from Monash University, Australia in 1982. She obtained her Master of Business Administration from Southern Cross University, Australia in 2000. She is a Fellow of CPA Australia and a member of the Malaysian Institute of Accountants as well as the Malaysian Association of Company Secretaries. She has many years of experience in accounting, marketing, finance, administration and corporate affairs. She holds a total of 95,234,096 shares (direct and indirect) in Pintaras Jaya and is deemed to have an interest in the shares of the subsidiary companies to the extent held by Pintaras Jaya. She is the spouse of Dr. Chiu Hong Keong, the Managing Director and a major shareholder of Pintaras Jaya, and the mother of Mr. Chiu Wei Wen, an Executive Director of Pintaras Jaya.

CHIU WEI WEN

Mr. Chiu Wei Wen, a Malaysian, aged 31 is an Executive Director of Pintaras Jaya. He was appointed to the Board on 20 October 2011. He is a member of the Risk Management and ESOS Committees. He graduated with a Bachelor of Science (Information System) and a Graduate Diploma in Management from the University of Melbourne in 2007 and 2010 respectively. He has worked with IBM Australia as a consultant, servicing the toll road, telecommunications, government agencies as well as the banking industry. He has experience in developing, testing, support and business analyst roles within IT industry. He holds a total of 648,500 shares directly in Pintaras Jaya and is deemed to have an interest in the shares of the subsidiary companies to the extent held by Pintaras Jaya. He is the son of Dr. Chiu Hong Keong, the Managing Director and a major shareholder of Pintaras Jaya and Madam Khoo Yok Kee, the Executive Director and a deemed major shareholder of Pintaras Jaya.



PROFILE OF DIRECTORS

KONG KIM PIEW

Mr. Kong Kim Piew, a Malaysian, aged 63 is an Independent Non-Executive Director of Pintaras Jaya. He was appointed to the Board on 28 October 1994. He serves as the Chairman of the Audit Committee and is a member of the Remuneration, Nomination and ESOS Committees. He graduated with a Bachelor of Engineering (Honours) degree from the University of Malaya in 1978. He is presently a Director of Perunding Hashim & NEH Sdn Bhd and is involved extensively in civil and structural engineering consultancy services in both the private and public sectors. He does not hold any securities, direct or indirect, in Pintaras Jaya or any of its subsidiaries. He has no family relationship with any Director and/or major shareholder of Pintaras Jaya.

CHANG CHENG WAH

Mr. Chang Cheng Wah, a Malaysian, aged 59 is an Independent Non-Executive Director of Pintaras Jaya. He was appointed to the Board on 28 October 1994. He serves as the Chairman of the Remuneration and Nomination Committees and is a member of the Audit and ESOS Committees. He graduated with a Bachelor of Science in Civil Engineering (Honours) degree from the University of Newcastle Upon-Tyne, United Kingdom in 1980. He was attached to Arup Jururunding Sdn Bhd for 8 years. He joined Zainuddin Radzi & Rakan-Rakan in 1989 as a partner where he headed the Civil and Structural engineering works department of the firm. Presently, he is the managing director of Perunding ACE Sdn Bhd. He does not hold any securities, direct or indirect, in Pintaras Jaya or any of its subsidiaries. He has no family relationship with any Director and/or major shareholder of Pintaras Jaya.

ARNOLD KWAN POON KEONG

Mr. Arnold Kwan Poon Keong, a Malaysian, aged 55 is an Independent Non-Executive Director of Pintaras Jaya. He was appointed to the Board on 3 November 2008. He is a member of the Audit Committee. He is a Fellow of the Association of Chartered Certified Accountants (FCCA) UK. He has many years of experience in the financial services industry, having worked with both local and international financial institutions in various capacities. He has experience in risks management, corporate finance, capital markets, wealth management services and private banking. He has also set up and managed investment banking, financial risk analytics, corporate and commercial banking departments for international banks in Malaysia. He is presently a corporate advisor to some private companies. He does not hold any securities, direct or indirect, in Pintaras Jaya or any of its subsidiaries. He has no family relationship with any Director and/or major shareholder of Pintaras Jaya.

GENERAL INFORMATION

All the Directors do not hold any other directorships of public companies and listed issuers.

None of the Directors have any conflict of interest with Pintaras Jaya.

None of the Directors have had convictions for any offences within the past five years.

All the Directors attended the five Board Meetings of Pintaras Jaya held for the financial year ended 30 June 2016, except for Mr. Kong Kim Piew who attended four out of the five Board Meetings.



STATEMENT ON CORPORATE GOVERNANCE

The Board of Pintaras Jaya Berhad (“PJB”) is committed to upholding the principles of corporate governance in the Malaysian Code on Corporate Governance 2012 (“the Code”). It applies good corporate governance by having in place processes and structure to direct and manage the business and affairs of PJB as a fundamental part of discharging its responsibility to protect and enhance shareholder value.

The Board is pleased to provide the following which explains how the Company and the Group have set out to ensure the application of the principles and best practices of the Code and the extent of compliance with the Code as required under the Main Market Listing Requirements (“MMLR”).

THE BOARD OF DIRECTORS

The Board continues to retain full and effective control over the Group’s activities and direction. One of its main functions is to ensure that appropriate and efficient systems and processes are implemented to manage the Group’s financial and operational risks. Towards this end, the Board is assisted by a team of capable and experienced management personnel in the daily operations of the Group.

Board Charter

A Board Charter was established and approved by the Board on 27 August 2013. The objective of the Board Charter is to ensure that all Board members are aware of their duties and responsibilities as Board members, the various legislations and regulations including the Code of Ethics for directors issued by the Companies Commission of Malaysia and that the practices of good Corporate Governance are applied in all dealings by Board members individually and/or on behalf of the Group.

Board Structure and Procedures

The current composition of the Board comprises 4 Executive Directors and 3 Independent Non-Executive Directors. They have a vast range of experience and knowledge in the areas of business, engineering and finance. The Independent Non-Executive Directors do not form part of the management and are not related to major shareholders. They exercise their unbiased independent judgement freely and do not have any business or other relationships that may potentially interfere with their duties. Board balance is achieved with the contribution of the Independent Non-Executive Directors and fair representation of the shareholders’ interests. Brief profiles of the Directors are set out on pages 7 and 8 of this Annual Report.

The Board is responsible for the control and management of the PJB Group. The Directors meet at least 4 times a year with additional meetings convened when necessary. The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities. This is evidenced by the attendance record of the Directors at Board Meetings during the year as follows:-

| <u>Directors</u> | <u>No. of Meetings Attended</u> |
|------------------------|---------------------------------|
| Dr Chiu Hong Keong | 5/5 |
| Khoo Keow Pin | 5/5 |
| Khoo Yok Kee | 5/5 |
| Chiu Wei Wen | 5/5 |
| Kong Kim Piew | 4/5 |
| Chang Cheng Wah | 5/5 |
| Arnold Kwan Poon Keong | 5/5 |

The approval of the Board is required for material transactions which includes large capital expenditure, restructuring, acquisition and disposal of significant assets, investment proposals, periodic announcement of financial results and annual report.

During the year, major items on the agenda of Board meetings included reviews and approval of the quarterly results, financial statements, internal audit report and recommendation and approval of interim and final dividends.



STATEMENT ON CORPORATE GOVERNANCE

The Board continues to be mindful of the combined roles of the Chairman and Managing Director currently held by Dr. Chiu Hong Keong. In the best interest of the Group, this combined role is maintained as the valuable knowledge of the business operations contributed by Dr. Chiu is essential for the effective management of the Group as well as to provide leadership to the Board.

No senior Independent Non-Executive Director is appointed to address concerns relating to the Group as any concern can be conveyed to any one of the Directors who exercise their responsibilities collectively. The Company's website is accessible to the public at www.pintaras.com.my and the Directors welcome any feedback channelled through the website.

Board Committees

Five Board Committees were established to assist the Board in effectively discharging its fiduciary duties. They comprise the Audit, Risk Management, Remuneration, Nomination and Employee Share Option Scheme ("ESOS") Committees. All committees have written terms of reference that clearly outline their objectives, functions and authorities. The committees table their reports and recommendations to the Board periodically.

Nomination Committee

The Nomination Committee was established on 22 June 2001. The Committee meets at least once a year with additional meetings convened when necessary. During the financial year, one committee meeting was held. Detail of attendance of each committee member is as follows:-

| Committee Members | No. of Meetings Attended |
|--------------------------|---------------------------------|
| Kong Kim Piew | 1/1 |
| Chang Cheng Wah | 1/1 |

The Nomination Committee is responsible for making recommendations for any appointments to the Board/Board Committees. Its members annually assess and review the mix of skills and experience which the Directors contribute to the Board. The Committee also assists the Board in reviewing other qualities of existing Board members including the core competencies of Non-Executive Directors as well as assessing the independence of its Independent Directors and to note the trainings attended by each individual Director. The Nomination Committee is also involved in discussions pertaining to succession planning for the Group as well as boardroom gender diversity.

During the year, the Nomination Committee assessed and evaluated the effectiveness of the Board as a whole in terms of its structure, roles and responsibilities, strategy and planning, financial overview, shareholder communications and investor relations. The effectiveness of Board Committees, on the other hand, was assessed based on fulfilment of the Board Committees' function as stipulated in their respective terms of reference. For individual Directors, the assessment was based on pre-determined criteria relating to personal integrity and competency, contribution and performance as well as calibre and personality.

Based on the assessments conducted in the financial year under review, it was concluded that the Board and its Committees as a whole, as well as the individual Directors, had operated effectively and possessed all necessary skills, experience and qualities required from them.

Recommendation 3.2 of the Code recommends that the tenure of an Independent Director should not exceed a cumulative term of nine years. Upon completion of the nine years, the Independent Director may continue to serve on the board subject to the Director's re-designation as a Non-Independent Director. However, in exceptional cases and subject to the annual assessment conducted by Nomination Committee, the Board may recommend for an Independent Director who has served a cumulative of more than nine years to remain as Independent Director. Mr. Kong Kim Piew and Mr. Chang Cheng Wah have both served as Independent Directors for more than nine years. The Board has assessed their independence and has unanimously recommended that they shall remain as Independent Non-Executive Directors of the Company as they are qualified and can be entrusted to discharge their duties and responsibilities independently and objectively notwithstanding their tenure on the Board. They have performed their roles diligently and in the best interest of the Company. The Board will table a proposal to retain Mr. Kong Kim Piew and Mr. Chang Cheng Wah as Independent Non-Executive Directors for shareholders' approval at the forthcoming Twenty-Seventh Annual General Meeting ("AGM").



STATEMENT ON CORPORATE GOVERNANCE

Supply of Information

All Directors have access to the services of the Company Secretaries. The Company Secretaries provide support to the Board in fulfilling their fiduciary duties. They also play an advisory role to the Board, particularly in compliance to applicable rules and regulations as well as Board meeting procedures. Additionally, Directors may solicit for independent advice, if necessary, at the Company's expense.

Dissemination of information for Board Meetings is by way of Board papers which contain management and financial information and other matters to be discussed. The Board members are also notified of material issues affecting the performance of the Group and new developments within the Group during Board meeting. Senior management staff are invited to attend Board meetings and Audit Committee meetings whenever necessary.

Directors' Training

All Directors have successfully completed the Mandatory Accreditation Programme. The Directors are mindful that they shall receive appropriate training which may be required from time to time to keep them abreast with the current developments of the industry as well as the new statutory and regulatory requirements.

During the year, the Directors were informed and updated on developments in accounting standards and code of corporate governance as well as the new Companies Act by the external auditors, internal auditors and company secretaries at Board and committee meetings. The Board has undertaken an assessment of training needs of each Director. With the exception of Dr. Chiu Hong Keong, Mr. Chiu Wei Wen, Mr. Chang Cheng Wah and Mr. Arnold Kwan Poon Keong due to schedule conflicts, the following trainings were attended by the Directors:-

| Title of training | Attended by |
|--|---------------|
| One Day Seminar on Deep Excavation | Khoo Keow Pin |
| One Day Seminar on Jacked-in Piles : Good Practices and Applications | Khoo Keow Pin |
| Focus Group Series : Corporate Governance Disclosures "What makes good, bad and ugly corporate governance reporting?" | Khoo Yok Kee |
| Future of Auditor Reporting – The Game Changer for Boardroom | Kong Kim Piew |

In compliance with the MMLR, the Board will continuously identify relevant training programmes for its members to ensure that they are updated with appropriate professional training to further enhance their professionalism in discharging their fiduciary duties to the Company.

Re-election of Directors

The Company's Articles of Association provide for all Directors to submit themselves for re-election at least once in every 3 years. The Directors who are seeking for re-election at the forthcoming Twenty-Seventh AGM are Dr. Chiu Hong Keong, Mr. Chiu Wei Wen and Mr. Arnold Kwan Poon Keong. The Directors who are due for re-election at the forthcoming AGM have been duly assessed and recommended for re-election based on their contributions and valuable insights in fulfilling their roles and responsibilities. Their particulars are set out in the Profile of Directors on pages 7 and 8 of this Annual Report.

DIRECTORS' REMUNERATION

To attract and retain individuals of sufficiently high calibre at the Board level, the remuneration for Executive Directors is linked partly to the performance of the Group while the level of remuneration of Non-Executive Directors reflects the experience and level of responsibility undertaken. Following guidelines by the Code, the Company has in place a fairly structured reward system for its Board members.



STATEMENT ON CORPORATE GOVERNANCE

The Remuneration Committee remains responsible for recommending the individual Directors' level of remuneration. The interested Directors abstain from discussing their own remuneration packages.

In disclosing the Directors' remuneration, the Board views it sufficiently transparent with details of the remuneration of the Directors of the Company and the Group provided as follows :

The Company

| Components of remuneration | Executive Directors | Non-Executive Directors |
|------------------------------|---------------------|-------------------------|
| Salaries (RM) | 325,000 | - |
| EPF (RM) | 47,520 | - |
| Fees (RM) | - | 75,000 |
| Bonuses (RM) | 56,000 | - |
| Other employee benefits (RM) | 237 | - |
| Benefits-in-kind (RM) | 34,800 | - |
| ESOS (RM) | 463,616 | - |
| Total (RM) | 927,173 | 75,000 |

The Group

| Components of remuneration | Executive Directors | Non-Executive Directors |
|------------------------------|---------------------|-------------------------|
| Salaries (RM) | 1,818,000 | - |
| EPF (RM) | 291,110 | - |
| Fees (RM) | - | 75,000 |
| Bonuses (RM) | 509,000 | - |
| Other employee benefits (RM) | 666 | - |
| Benefits-in-kind (RM) | 58,750 | - |
| ESOS (RM) | 463,616 | - |
| Total (RM) | 3,141,142 | 75,000 |

Number of Directors whose remuneration falls into the following bands :

| Range of remuneration | Number of Directors | |
|----------------------------|---------------------|---------------|
| | Executive | Non-Executive |
| Up to RM50,000 | - | 3 |
| RM450,001 to RM500,000 | 1 | - |
| RM750,001 to RM800,000 | 1 | - |
| RM800,001 to RM850,000 | 1 | - |
| RM1,050,001 to RM1,100,000 | 1 | - |

SHAREHOLDERS

Dialogue between Company and Investors

The primary channels through which information is disseminated to the shareholders are annual reports and financial statements, quarterly announcements of financial results and other announcements. All the above are easily accessible through the official website of the Bursa Malaysia Securities Berhad as well as the Company's website.

During the year, the Managing Director and Executive Directors met with institutional investors, fund managers and analysts to brief and keep them updated on the performance, business expansion plans and other matters related to shareholders' interest. By this, the Board aims to keep the shareholders and the general public abreast on the Group's performance and development as well as to maintain good investor relations.



STATEMENT ON CORPORATE GOVERNANCE

The Company's website has links to its announcements on financial results and annual reports. It also serves as a platform for the public to provide their feedback and to know more about the Group's business.

The AGM

Shareholders enjoy direct interaction with the Board at the Company's AGM, where they are encouraged to present any questions or concerns regarding the operations, financial performance and major developments of the Group.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board aims to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of the financial year mainly through the quarterly announcements, annual financial statements and the Chairman's Statement in the annual reports. The Board is assisted by the Audit Committee to oversee the Group's financial reporting process and its quality.

Statement of Directors' Responsibility

The Directors are required by the Companies Act, 1965 to prepare financial statements, which give a true and fair view of the state of affairs, results and cash flow of the Group and of the Company for the financial year under review.

In this respect, the Directors acknowledge their responsibility in ensuring that proper accounting records are kept for the purpose of disclosing with reasonable accuracy, the financial position of the Group and of the Company.

Internal Control

The Board recognises its responsibility for the Group's system of internal controls comprising financial, operational and compliance controls as well as risk management. The system, by its nature, can only provide reasonable but not absolute assurance against material misstatement or loss and is designed to manage rather than eliminate the risk of failure to achieve business objectives.

The Group has in place a whistle-blowing framework which provides a channel whereby employees may, in good faith and in confidence, raise concerns about possible improprieties in financial reporting and other concerns, to ensure independent investigation of such matters and appropriate follow-up action. There have been no reported incidents pertaining to whistle-blowing for the financial year 2016.

The Statement on Risk Management and Internal Control furnished on page 14 provides an overview of the state of internal control within the Group.

Relationship with External Auditors

The Group maintains an appropriate relationship with the external auditors through the Audit Committee. An Audit Committee report and its terms of reference, detailing its role in relation to the external auditors are set out on pages 16 to 18 of this Annual Report.

Corporate Social Responsibility

The Group recognises it has obligations to protect and contribute positively to the needs of a range of stakeholders in the community and environment in which it operates. Towards this end, the Group has adopted a Code of Conduct to guide employees and to create awareness in support of its Corporate Social Responsibility initiatives. The Code includes guidelines to appropriate workplace and marketplace behaviour. Employee health and well-being is constantly looked after through the effective and stringent implementation of good Occupational Safety and Health practices in all its business operations. The Code also enunciates the Group's approach to supporting community and environmental programmes. The Group is dedicated to meeting or exceeding the regulatory requirements that govern its activities and will continually look to applying environmentally friendly technologies. The Group has made consistent donations to various charities nationwide such as The Monfort Boys Town, The Malaysian Association for the Blind, The Shepherd's Centre Foundation and Hospis Malaysia to help the needy and to elevate the standard of living and the quality of life of communities.

This statement is made in accordance with the resolution of the Board of Directors dated 29th August 2016.



STATEMENT ON CORPORATE GOVERNANCE

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility of maintaining a good system of internal controls covering not only financial controls but also operational and compliance controls as well as risks assessments. This system was designed to enable the Group to meet its business objectives and to minimise rather than eliminate risks while protecting its assets and safeguarding the shareholders' investment.

The internal audit function which reports to the Audit Committee, is outsourced to a professional service firm. The firm undertakes independent and systematic reviews of internal controls so as to provide the Audit Committee with independent and objective feedback and reports to ensure that the internal control systems continue to operate satisfactorily and effectively. The internal auditors recommend actions to ensure that proper controls are in place for the key operational areas and regular follow-ups are made to ensure the actions are implemented. The Board with the assistance of the Audit Committee and the Risk Management Committee reviews the effectiveness of the Group's system of internal control on a continuous basis.

While it is the principal responsibility of the Board to identify key risks and ensure the implementation of appropriate systems to manage risks, it is assisted by the various committees put in place to address the different risks inherent to the Group's construction and manufacturing divisions. The Audit and Risk Management Committees have continued to provide significant assistance in this respect.

The Group's organisational structure is divided into the construction and manufacturing divisions to provide a more relevant framework in which to manage the different risks. This enhances communication and clearly defines the line of authority as well as to facilitate reporting. The duties and responsibilities of designated employees are also communicated to them at the point of employment. As an additional measure, the Executive Directors are involved directly in the management of operational and financial controls. This practice ensures close monitoring and effective supervision over the operating subsidiaries. In addition, the Executive Directors and senior management exercise direct supervision by visiting the project sites and factory floors regularly.

As the major driver of internal control, the Risk Management Committee supervises the overall management of the principal areas of risk. This Committee consists of Board members and senior management personnel from the various departments in the Group. The construction division's Operations Meetings and the manufacturing division's Management Meetings are held regularly and their findings are reported to the Risk Management Committee who then reports directly to the Board. In this way, the risks faced at the operational level are conveyed to the Board who possesses the authority to review, form and implement mechanisms of control. Thus, the Board remains well informed and able to effectively manage the control environment in the Group.

Written policies and procedures are present in the form of the Group's Operations Manual and the Pintaras Group Integrated Risk Management Framework. They serve as guidelines for best work practices and provide tools to identify and manage risks. A Risk Register is maintained to record the key risks and it is updated as and when new risks are identified. The respective control measures are discussed in Risk Management Committee meetings and documented.

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

For the financial year under review, the Board is satisfied that the current internal control system was reasonably effective in managing the Group's risks and there is no significant deficiency noted. Nevertheless, the Board will continue to assess the need to employ suitable measures to enhance the Group's control environment.



OTHER INFORMATION

1. BOARD MEETINGS

There were five Board Meetings held during the financial year.

2. UTILISATION OF PROCEEDS

No proceeds were raised by the Company from any corporate proposals during the financial year.

3. SHARE BUY-BACKS

During the financial year, there were no share buy-backs by the Company.

4. OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

Save for the options granted, exercised and forfeited as disclosed in Note 23 to the Financial Statements, the Company did not issue any options, warrants or convertible securities during the financial year.

5. DEPOSITORY RECEIPT PROGRAMME

During the financial year, the Company did not sponsor any depository receipt programme.

6. IMPOSITION OF SANCTIONS/PENALTIES

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, directors or management by the relevant regulatory bodies.

7. AUDIT AND NON-AUDIT FEES

Audit fees payable to the external auditors by the Group and the Company for the financial year amount to RM138,350 and RM45,000 respectively.

Non-audit fees payable to the external auditors by the Company for the financial year amount to RM8,500 being services rendered in relation to the review of the Statement on Risk Management and Internal Control.

8. PROFIT ESTIMATE, FORECAST OR PROJECTION

The Company did not release any profit estimate, forecast or projection for the financial year.

9. PROFIT GUARANTEES

During the financial year, there was no profit guarantee given by the Company and all its subsidiaries.

10. MATERIAL CONTRACTS

During the financial year, there were no material contracts entered into by the Company and its subsidiaries which involve directors' and major shareholders' interests.

11. CONTRACTS RELATING TO LOAN

There were no contracts relating to loan by the Company and its subsidiaries in respect of item 10.

12. REVALUATION OF LANDED PROPERTIES

The Company and its subsidiaries do not revalue their landed properties.



AUDIT COMMITTEE REPORT

(A) MEMBERS OF THE AUDIT COMMITTEE

During the financial year, the Audit Committee comprised the following directors :-

Kong Kim Piew - Chairman
(Independent Non-Executive Director)

Chang Cheng Wah
(Independent Non-Executive Director)

Arnold Kwan Poon Keong
(Independent Non-Executive Director)

(B) TERMS OF REFERENCE

AUTHORITY

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board to seek external legal or other professional assistance if it considers necessary.

FUNCTIONS

The functions of the Committee shall be :-

- a) to review
 - (i) with the external auditors, the audit plan;
 - (ii) with the external auditors, their evaluation of the system of internal accounting controls;
 - (iii) with the external auditors, their audit report;
 - (iv) the assistance given by the Company's officers to the external auditors;
 - (v) the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
 - (vi) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
 - (vii) the quarterly results and year end financial statements prior to the approval by the Board, focusing particularly on :
 - changes in or implementation of major accounting policy changes;
 - significant and unusual events; and
 - compliance with accounting standards and other legal requirements; and
 - (viii) any related party transactions that may arise within the Company or the Group.
- b) to consider the nomination of a person or persons as external auditors, the audit fees and any question on resignation or dismissal.
- c) to promptly report to Bursa Malaysia Securities Berhad on any matter reported by it to the Board of the Company which has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements.
- d) to carry out any functions as may be agreed to by the Committee and the Board.



AUDIT COMMITTEE REPORT

MEETINGS

The Committee will meet at least four times a year and such additional meetings as the Chairman shall decide in order to fulfill its duties. The external auditors may request a meeting if they consider that one is necessary.

The quorum for each meeting shall be two members and the majority of members present must be Independent Non-Executive Directors.

The Finance Manager, or any other authorised Officers and a representative of the external auditors shall normally attend meetings. Other Board members shall also have the right of attendance upon the invitation of the Committee. If necessary, the Committee shall meet with the external auditors, the internal auditors or both, without executive Board members and employees present.

The Secretary to the Committee shall be the Company Secretary or any other person appointed by the Committee.

The Secretary shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it to the Committee members prior to each meeting. The Secretary will also be responsible for keeping the minutes of the meetings of the Committee, and circulating to the Committee members and to other members of the Board.

(C) ACTIVITIES

During the financial year, five Audit Committee Meetings were held. Details of attendance of the Audit Committee Members are as follows :-

| <u>Audit Committee Members</u> | <u>No. of Meetings Attended</u> |
|--------------------------------|---------------------------------|
| Kong Kim Piew | 4/5 |
| Chang Cheng Wah | 5/5 |
| Arnold Kwan Poon Keong | 5/5 |

During the financial year, the Audit Committee met with the external auditors twice. Private meetings were also held with the external auditors without executive Board members and employees present on both occasions.

The Audit Committee undertook an annual assessment of the external auditors and is satisfied that they have not provided any non-audit services to the Group during the financial year that will prejudice their independence and objectivity. The Audit Committee is also satisfied with the quality of services and adequacy of resources the external auditors provided to the Group.

As such, the Audit Committee has recommended and the Board has approved to seek shareholders' approval at the forthcoming AGM to re-appoint Messrs. PricewaterhouseCoopers as external auditors of the Company.

A summary of the activities of the Audit Committee in discharging its functions and duties during the year included a review of the following :-

- (i) the audit plan of the external auditors;
- (ii) the external auditors' reports in relation to audit, accounting and internal control issues arising from the audit and updates of the developments on accounting standards issued by the Malaysian Accounting Standards Board;
- (iii) the Quarterly Reports prior to the Board of Directors' approval and announcement;
- (iv) the internal audit plan;
- (v) the major findings on internal audit reports and management's response; and
- (vi) related party transactions.

The Board is satisfied that the Audit Committee and its members have discharged their functions, duties and responsibilities in accordance with the Audit Committee's terms of reference.



AUDIT COMMITTEE REPORT

The shareholders of the Company had approved an Employee Share Option Scheme ("ESOS") at an extraordinary general meeting of the Company held on 7 October 2013. The ESOS was effective from 26 February 2014 for a duration of five (5) years. On 21 March 2014, the Company granted options under the ESOS to subscribe for 7,240,000 unissued ordinary shares of RM1.00 each in the Company to eligible executive directors and employees, of which an aggregate of 4,450,000 unissued ordinary shares were granted to executive directors. 60% of the options granted to executive directors were vested and 54.61% were exercised as at the financial year ended 30 June 2016.

Pursuant to the ESOS By-Laws, not more than seventy per cent (70%) of the new ordinary shares available under the ESOS shall be allocated, in aggregate, to the executive directors and senior management of the Group and not more than ten per cent (10%) of the new ordinary shares available under the ESOS shall be allocated to any individual eligible person who, either singly or collectively through persons connected with the eligible person, holds twenty per cent (20%) or more in the issued and paid-up share capital of the Company.

Based on the above, the aggregate maximum allocation applicable to executive directors and senior management is 16,813,440 ordinary shares, of which thirty-three per cent (33%) have been granted to them since the commencement of the scheme.

The Committee has reviewed and verified that the allocation of share options pursuant to the ESOS was made in accordance to the criteria set out in the ESOS By-Laws. The Committee noted that there was no allocation of options pursuant to the Company's ESOS for the year ended 30 June 2016.

(D) INTERNAL AUDIT FUNCTION

An internal audit function has been set up to undertake regular reviews of the Group's system of controls, policies and procedures, implementation and operation. The primary objective of the internal audit function is to provide assurance on the adequacy and effectiveness of the risk, control and governance framework of the Group by bringing an independent, systematic and disciplined approach to anticipating potential risk exposures over key business processes within the Group.

The Group has appointed a professional service firm to assist the Board and the Audit Committee in carrying out the function. The internal auditors report directly to the Audit Committee who reviews and approves the annual internal audit plan.

During the year, the internal audit function performed various internal audit activities in accordance to the plan to ascertain the adequacy of the internal control systems and make recommendations for improvement where weaknesses exist. The internal auditors audited the procurement and inventory management of the Group's manufacturing division as well as operational risk management of its construction division amongst other business processes for the year under review.

Audit reports were issued together with recommendations which were then passed to the management for management's response and action. Audit issues and actions taken by the management were deliberated during Audit Committee meetings and final audit reports were presented to the Board.

The cost incurred in managing the internal audit function in respect of the financial year was RM35,226.



CHAIRMAN'S STATEMENT

On behalf of the Board of Directors, it is with pleasure that I present the Annual Report of the Group and the Company for the financial year ("FY") ended 30 June 2016.

REVIEW OF RESULTS

The Group recorded a pre-tax profit of RM23.0 million and profit after tax of RM17.8 million. These results are markedly lower than those achieved in the preceding FY. Construction activities contributed about RM10.7 million to pre-tax profit compared to RM56.3 million last FY representing a decrease of about 81%. However, pre-tax profit from manufacturing amounting to RM5.2 million decreased by only 12%. The precipitous drop in earnings is a culmination of a number of factors notably the 50% drop in construction related revenue, the much higher cost incurred to complete some of our contracts, high depreciation costs and the more subdued general economic environment.

DIVIDENDS

Subject to the approval of shareholders at the forthcoming Annual General Meeting, the Board of Directors has recommended a final dividend of 12 sen per share. Based on 163,539,800 ordinary shares of RM1.00 each, this amounts to RM19,624,776. The Company had earlier in July 2016 paid an interim dividend of 8 sen per share amounting to RM13,082,064. If approved, the final dividends together with the interim dividends will total RM32,706,840 for FY2016, exceeding FY2015's record payout of RM29,293,214. This represents a dividend payout of about 184% and raises our average yearly dividend payment since our public listing in 1994 to 48%.

REVIEW OF OPERATIONS

The Group achieved a revenue of RM137 million against last FY's revenue of RM243 million representing a drop of 44%. This was mainly due to the 50% drop in construction revenue which recorded an amount of only about RM103 million.

It is a disappointing performance given our capacity and requires us to critically review our entire operations from tendering to job execution and human resource management.

The softening of the property market and the increased competition presented by other piling contractors have contributed to our reduced revenue and profitability. Fluctuations in steel prices and higher labour costs also contributed to lower margins.

In FY2016, we purchased about RM12 million additional construction plant and equipment.

As for our manufacturing division, revenue decreased to RM34 million, generally reflecting the poorer economic sentiments prevailing in FY2016.

CORPORATE AND BUSINESS DEVELOPMENTS

In FY2016 there were no significant developments on the corporate and business front.

OUTLOOK

The construction sector as a whole remains subdued particularly for private sector projects reflecting the weak property market. However, with the progress of a number of large infrastructure projects such as MRT2, WCE, Pan-Borneo Highway, SUKE and DASH, the construction industry will recover very quickly and is expected to soak up capacity in the months to come.

Nevertheless, it is prudent to remain cautious as oil and commodity prices are generally low. The raising of interest rates in the US and the timing of BREXIT are two of the major uncertainties impacting the global economy.



CHAIRMAN'S STATEMENT

With our job wins earlier in the year we are operating near full capacity and should remain substantially so for FY2017. Our revenue and operating profits should be substantially better than FY2016. However, we will strive to exceed our FY2014 and FY2015 results.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I wish to express our appreciation and gratitude to our shareholders, clients, suppliers, sub-contractors, bankers and business associates for their continued support and co-operation during the year.

I also wish to record our deep appreciation to our loyal and dedicated employees for their continued hard work and commitment to the Group.

DR CHIU HONG KEONG
Chairman/Managing Director
September 2016



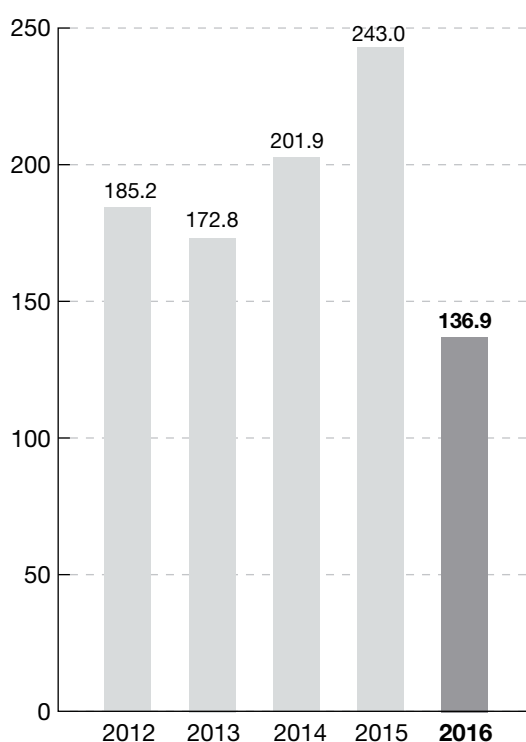
FINANCIAL HIGHLIGHTS

| | 2016 RM'000 | 2015 RM'000 | 2014 RM'000 | 2013 RM'000 | 2012 RM'000 |
|------------------------------------|-----------------|----------------|----------------|----------------|----------------|
| Revenue | 136,874 | 242,999 | 201,907 | 172,845 | 185,172 |
| Profit before taxation | 23,040 | 68,570 | 71,165 | 67,151 | 57,863 |
| Profit after taxation | 17,786 | 51,921 | 54,238 | 52,317 | 44,897 |
| Paid-up Capital | 163,526 | 162,681 | 160,128 | 80,064 | 80,064 |
| Shareholders' funds | 331,329 | 345,904 | 307,256 | 271,097 | 237,446 |
| Total assets | 404,003 | 413,822 | 383,524 | 331,433 | 301,776 |
| Earnings per share (RM) | 0.11 | 0.32 | 0.34 | 0.33* | 0.28* |
| Net tangible assets per share (RM) | 2.03 | 2.13 | 1.92 | 1.69* | 1.48* |
| Gross dividend rate (sen) | 20 [#] | 18 | 15 | 25 | 20 |

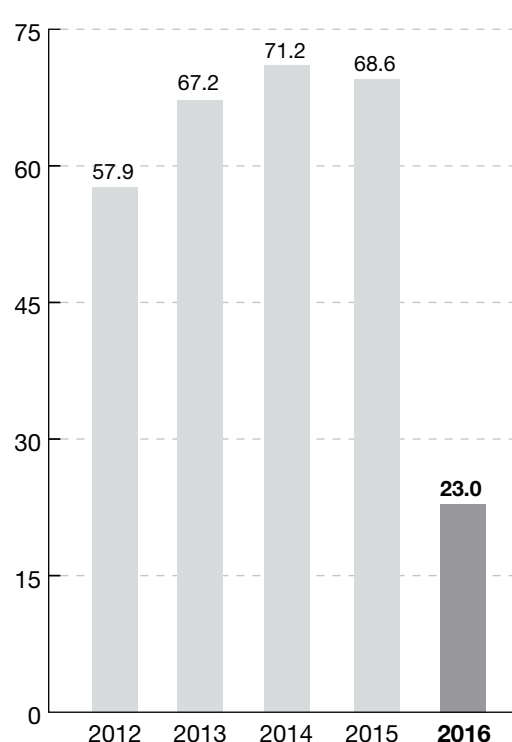
[#] declared and paid - 8 sen, recommended - 12 sen

* Adjustment arising from Bonus Issue of 80,064,000 Ordinary Shares

Revenue
RM Million



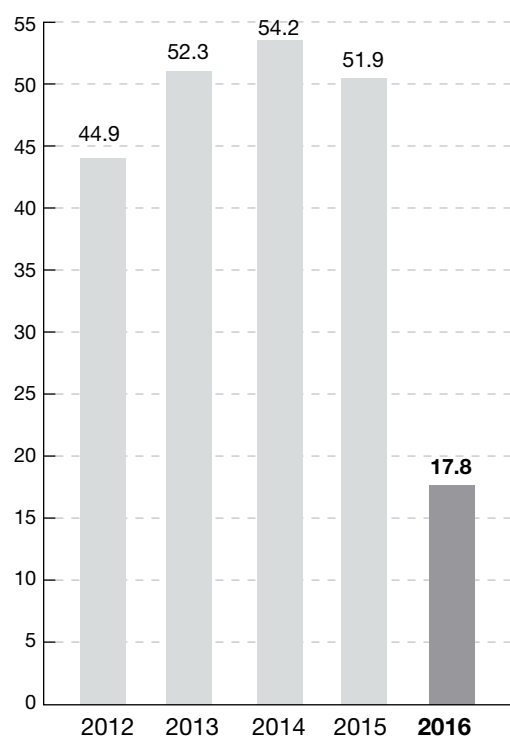
Profit Before Taxation
RM Million



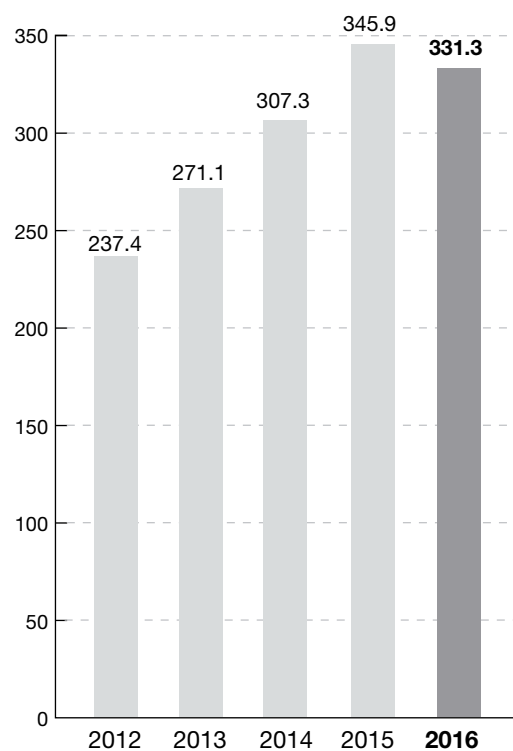


FINANCIAL HIGHLIGHTS

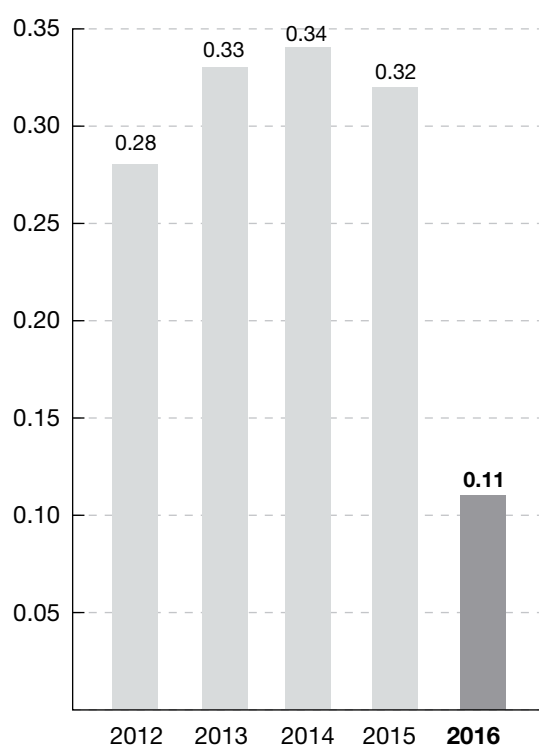
Profit After Taxation
RM Million



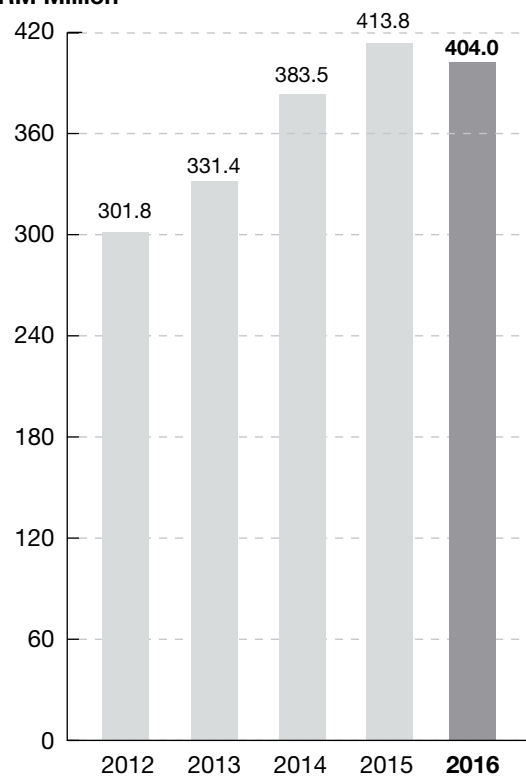
Shareholders' Funds
RM Million



Earnings Per Share
RM



Total Assets
RM Million



Financial Statements

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DIRECTORS' REPORT

The Directors of Pintaras Jaya Berhad have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2016.

PRINCIPAL ACTIVITIES

The principal activities of the Company consist of investment holding and undertaking of piling contracts, civil engineering and building construction works and rental of plant and machinery. The principal activities of the subsidiary companies are set out in Note 14 to the financial statements.

There has been no significant change in the nature of these activities during the financial year.

FINANCIAL RESULTS

| | Group RM | Company RM |
|-------------------------------|-------------|---------------|
| Profit for the financial year | 17,785,594 | 27,497,529 |

DIVIDENDS

The dividends paid or declared by the Company since 30 June 2015 were as follows:

| | RM |
|---|------------|
| In respect of financial year ended 30 June 2015: | |
| - Interim single-tier dividend of 7 sen per share, paid on 9 July 2015 | 11,387,656 |
| - Final single-tier dividend of 11 sen per share, paid on 12 January 2016 | 17,905,558 |
| In respect of financial year ended 30 June 2016: | |
| - Interim single-tier dividend of 8 sen per share, declared on 18 May 2016, paid on 12 July 2016 | 13,082,064 |
| | 42,375,278 |

On 29 August 2016, the Directors recommended the payment of a final single-tier dividend of 12 sen per share on 163,539,800 ordinary shares of RM1 each, amounting to RM19,624,776 for the financial year ended 30 June 2016 which is subject to the approval of shareholders at the forthcoming Annual General Meeting of the Company.

RESERVES AND PROVISIONS

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



DIRECTORS' REPORT

ISSUANCE OF SHARES

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM162,680,800 to RM163,525,800 by way of issuance of 845,000 ordinary shares of RM1.00 each pursuant to the exercise of options under the Employee Share Option Scheme ("ESOS") at an exercise price of RM2.83 per share. The premium arising from the exercise of ESOS of RM2,108,275 was credited to the Share Premium account.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

Subsequent to the financial year, the Company increased its issued and paid-up ordinary share capital from RM163,525,800 to RM163,539,800 by way of issuance of 14,000 ordinary shares of RM1.00 each pursuant to the exercise of options under Company's Employee Share Option Scheme ("ESOS") by certain employees at an exercise price of RM2.83 per share. The premium arising from the exercise of ESOS of RM34,930 was credited to the Share Premium account.

EMPLOYEE SHARE OPTION SCHEME

The Company's Employee Share Option Scheme ("ESOS") was approved by the shareholders at the Extraordinary General Meeting held on 7 October 2013. The ESOS was effective on 26 February 2014, for a period of five years, expiring on 25 February 2019 in accordance with the ESOS By-Laws. The details of the ESOS are set out in Note 23 to the financial statements.

The Company was granted exemption to comply with Section 169(11) of the Companies Act, 1965 by the Companies Commission of Malaysia in a letter dated 13 May 2016 from having to disclose in this report information of option holders with share allocation of less than 750,000 units.

DIRECTORS

The Directors who have held office during the period since the date of the last report are as follows:

Dr Chiu Hong Keong
Khoo Keow Pin
Khoo Yok Kee
Chiu Wei Wen
Kong Kim Piew
Chang Cheng Wah
Arnold Kwan Poon Keong

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangement subsisted to which the Company is a party, being arrangements with the object or objects of enabling Directors of the Company 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 to Executive Directors of the Company pursuant to the ESOS.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits disclosed in Note 9 to 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 he is a member, or with a company in which he has a substantial financial interest except as disclosed in Note 28 to the financial statement.



DIRECTORS' REPORT

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, particulars of interests of Directors who held office at the end of the financial year in shares in the Company are as follows:

| | Number of ordinary shares of RM1.00 each | | |
|-------------------------|--|----------|-----------------|
| | At 1.7.2015 | Acquired | At 30.6.2016 |
| Direct interests | | | |
| Dr Chiu Hong Keong | 23,415,720 | 300,000* | 23,715,720 |
| Khoo Keow Pin | 10,513,304 | - | 10,513,304 |
| Khoo Yok Kee | 10,901,760 | 200,000* | 11,101,760 |
| Chiu Wei Wen | 498,500 | 150,000* | 648,500 |

| | Number of ordinary shares of RM1.00 each | | |
|---------------------------|--|----------|--------------------------|
| | At 1.7.2015 | Acquired | At 30.6.2016 |
| Indirect interests | | | |
| Dr Chiu Hong Keong | 59,768,116 | - | 59,768,116 ^{*1} |
| | 498,500 | 150,000 | 648,500 ^{*2} |
| Khoo Yok Kee | 59,768,116 | - | 59,768,116 ^{*1} |
| | 498,500 | 150,000 | 648,500 ^{*2} |

* Through exercise of ESOS.

^{*1} Deemed interest by virtue of their interest pursuant to Section 6A of the Companies Act, 1965.

^{*2} Deemed interest by virtue of interest held by their son, Chiu Wei Wen in accordance with Section 134(12) (c) of the Companies Act, 1965.

| | Options over ordinary shares of RM1.00 each | | |
|--------------------|---|---------|-----------------|
| | At 1.7.2015 | Granted | At 30.6.2016 |
| Dr Chiu Hong Keong | 900,000 | - | 600,000 |
| Khoo Keow Pin | 720,000 | - | 720,000 |
| Khoo Yok Kee | 600,000 | - | 400,000 |
| Chiu Wei Wen | 450,000 | - | 300,000 |

- (i) By virtue of their interests in the Company, the above Directors are deemed to have an interest in the shares of the subsidiary companies to the extent held by the Company.
- (ii) Other than as disclosed above, none of the other Directors in office at the end of the financial year held any interest in the shares in the Company or its related corporations during the financial year.



DIRECTORS' REPORT

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets, other than debts, which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

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

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

In the opinion of the Directors:

- (a) the results of the Group's and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS

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

Signed on behalf of the Board of Directors in accordance with their resolution dated 15 September 2016.

DR CHIU HONG KEONG
CHAIRMAN

KHOO KEOW PIN
DIRECTOR



STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

| | Note | 2016 RM | Group 2015 RM | 2016 RM | Company 2015 RM |
|--|------|---------------|---------------------|--------------|-----------------------|
| Revenue | 5 | 136,873,593 | 242,999,439 | 41,747,500 | 85,670,335 |
| Cost of sales | | (113,862,391) | (175,407,311) | (14,600,111) | (15,698,921) |
| Gross profit | | 23,011,202 | 67,592,128 | 27,147,389 | 69,971,414 |
| Other operating income | | 8,694,550 | 9,518,920 | 6,993,917 | 6,091,878 |
| Administrative expenses | | (4,142,698) | (4,718,932) | (909,820) | (1,425,345) |
| Other operating expenses | | (4,522,810) | (3,821,611) | (1,632,729) | (2,217,478) |
| Finance cost | 6 | (59) | (514) | (56) | (57) |
| Profit before taxation | 7 | 23,040,185 | 68,569,991 | 31,598,701 | 72,420,412 |
| Taxation | 10 | (5,254,591) | (16,649,018) | (4,101,172) | (7,138,296) |
| Profit for the financial year, attributable to equity holders of the Company | | 17,785,594 | 51,920,973 | 27,497,529 | 65,282,116 |
| Other comprehensive income: | | | | | |
| Items that may be subsequently reclassified to profit or loss: | | | | | |
| Available-for-sale financial assets ("AFS"): | | | | | |
| - net changes in fair value | | (3,818,719) | 6,407,555 | (1,879,391) | 3,731,881 |
| - disposal | | (564,160) | (2,246,103) | (410,539) | (1,280,404) |
| - cumulative losses of AFS impaired reclassified to profit or loss | | - | 89,603 | - | 46,535 |
| Other comprehensive income for the financial year | | (4,382,879) | 4,251,055 | (2,289,930) | 2,498,012 |
| Total comprehensive income for the financial year, attributable to equity holders of the Company | | 13,402,715 | 56,172,028 | 25,207,599 | 67,780,128 |
| Earnings per share (sen) | | | | | |
| - basic | 11 | 10.9 | 32.2 | | |
| - diluted | 11 | 10.9 | 31.9 | | |



STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2016

| | Note | Group 2016 RM | 2015 RM | Company 2016 RM | 2015 RM |
|--|------|---------------------|-------------|-----------------------|-------------|
| ASSETS | | | | | |
| NON-CURRENT ASSETS | | | | | |
| Property, plant and equipment | 13 | 97,153,710 | 110,892,420 | 80,604,286 | 93,364,607 |
| Investments in subsidiary companies | 14 | - | - | 4,431,818 | 4,667,112 |
| Investment properties | 15 | 126,368 | 130,216 | - | - |
| Available-for-sale financial assets | 16 | 24,782,411 | 25,527,368 | 13,726,432 | 14,158,372 |
| Deferred tax assets | 17 | 2,178,976 | 781,604 | - | - |
| | | 124,241,465 | 137,331,608 | 98,762,536 | 112,190,091 |
| CURRENT ASSETS | | | | | |
| Amounts due from customers on contracts | 18 | 4,209,978 | 827,368 | - | - |
| Inventories | 19 | 17,950,609 | 18,385,077 | - | - |
| Tax recoverable | | 2,889,159 | 1,211 | - | - |
| Receivables | 20 | 83,028,134 | 81,090,495 | 2,588,379 | 521,127 |
| Amounts due from subsidiary companies | 21 | - | - | 16,895,285 | 3,682,355 |
| Dividend receivable | | - | - | - | 17,100,000 |
| Short-term deposits | 22 | 162,445,213 | 172,787,074 | 150,782,338 | 139,994,324 |
| Cash and bank balances | 22 | 9,238,589 | 3,399,564 | 4,033,935 | 1,720,514 |
| | | 279,761,682 | 276,490,789 | 174,299,937 | 163,018,320 |
| TOTAL ASSETS | | 404,003,147 | 413,822,397 | 273,062,473 | 275,208,411 |
| EQUITY AND LIABILITIES | | | | | |
| Equity attributable to equity holders of the Company | | | | | |
| CAPITAL AND RESERVES | | | | | |
| Share capital | 23 | 163,525,800 | 162,680,800 | 163,525,800 | 162,680,800 |
| Share premium | 24 | 8,477,511 | 6,369,236 | 8,477,511 | 6,369,236 |
| Share option reserve | | 1,785,871 | 1,729,009 | 1,785,871 | 1,729,009 |
| Available-for-sale reserve | | 3,985,818 | 8,368,697 | 2,707,326 | 4,997,256 |
| Retained earnings | 25 | 153,553,860 | 166,755,888 | 68,313,797 | 71,803,890 |
| TOTAL EQUITY | | 331,328,860 | 345,903,630 | 244,810,305 | 247,580,191 |



STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2016 (CONTINUED)

| | Note | 2016 RM | Group 2015 RM | 2016 RM | Company 2015 RM |
|--|------|-------------|---------------------|-------------|-----------------------|
| NON-CURRENT LIABILITY | | | | | |
| Deferred tax liabilities | 17 | 13,296,472 | 13,821,963 | 12,428,797 | 13,005,573 |
| CURRENT LIABILITIES | | | | | |
| Amounts due to customers on contracts | 18 | 1,390,992 | 1,954,351 | - | - |
| Payables | 26 | 42,871,245 | 35,611,445 | 1,496,911 | 511,556 |
| Dividend payable | | 13,082,064 | 11,387,656 | 13,082,064 | 11,387,656 |
| Taxation | | 2,033,514 | 5,143,352 | 1,244,396 | 2,723,435 |
| | | 59,377,815 | 54,096,804 | 15,823,371 | 14,622,647 |
| TOTAL LIABILITIES | | 72,674,287 | 67,918,767 | 28,252,168 | 27,628,220 |
| TOTAL EQUITY AND LIABILITIES | | 404,003,147 | 413,822,397 | 273,062,473 | 275,208,411 |



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

| Note | Group | Issued and fully paid ordinary shares of RM1.00 each | | Attributable to equity holders of the Company | | | | | Total equity RM |
|------|--|---|------------------------|---|--------------------------------|--------------------------------------|----------------------------|--------------|-----------------------|
| | | Number of shares | Nominal value RM | Share premium RM | Share options reserve RM | Available-for- sale reserve RM | Retained earnings RM | | |
| | At 1 July 2015 | 162,680,800 | 162,680,800 | 6,369,236 | 1,729,009 | 8,368,697 | 166,755,888 | 345,903,630 | |
| | Comprehensive income: | | | | | | | | |
| | - profit for the financial year | - | - | - | - | - | 17,785,594 | 17,785,594 | |
| | - other comprehensive income | - | - | - | - | (4,382,879) | - | (4,382,879) | |
| | Total comprehensive income for the financial year | - | - | - | - | (4,382,879) | 17,785,594 | 13,402,715 | |
| | Employee share option scheme ("ESOS") | | | | | | | | |
| | - value of employee services | - | - | - | 618,787 | - | - | 618,787 | |
| | Issuance of shares: | | | | | | | | |
| | - exercise of ESOS | 845,000 | 845,000 | 2,108,275 | (561,925) | - | - | 2,391,350 | |
| 12 | Dividends | - | - | - | - | - | (30,987,622) | (30,987,622) | |
| | At 30 June 2016 | 163,525,800 | 163,525,800 | 8,477,511 | 1,785,871 | 3,985,818 | 153,553,860 | 331,328,860 | |
| | At 1 July 2014 | 160,128,000 | 160,128,000 | - | 2,255,797 | 4,117,642 | 140,754,061 | 307,255,500 | |
| | Comprehensive income: | | | | | | | | |
| | - profit for the financial year | - | - | - | - | - | 51,920,973 | 51,920,973 | |
| | - other comprehensive income | - | - | - | - | 4,251,055 | - | 4,251,055 | |
| | Total comprehensive income for the financial year | - | - | - | - | 4,251,055 | 51,920,973 | 56,172,028 | |
| | Employee share option scheme ("ESOS") | | | | | | | | |
| | - value of employee services | - | - | - | 1,170,824 | - | - | 1,170,824 | |
| | Issuance of shares: | | | | | | | | |
| | - exercise of ESOS | 2,552,800 | 2,552,800 | 6,369,236 | (1,697,612) | - | - | 7,224,424 | |
| | Dividends | - | - | - | - | - | (25,919,146) | (25,919,146) | |
| | At 30 June 2015 | 162,680,800 | 162,680,800 | 6,369,236 | 1,729,009 | 8,368,697 | 166,755,888 | 345,903,630 | |

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

| Company | Note | Issued and fully paid ordinary shares of RM1.00 each | | Attributable to equity holders of the Company | | | | | Total equity RM |
|--|------|---|------------------------|---|--------------------------------|---|---|--------------|-----------------------|
| | | Number of shares | Nominal value RM | Share premium RM | Share options reserve RM | Non-distributable Available-for- sale reserve RM | Distributable Retained earnings RM | | |
| At 1 July 2015 | | 162,680,800 | 162,680,800 | 6,369,236 | 1,729,009 | 4,997,256 | 71,803,890 | 247,580,191 | |
| Comprehensive income: | | | | | | | | | |
| - profit for the financial year | | - | - | - | - | - | 27,497,529 | 27,497,529 | |
| - other comprehensive income | | - | - | - | - | (2,289,930) | - | (2,289,930) | |
| Total comprehensive income for the financial year | | - | - | - | - | (2,289,930) | 27,497,529 | 25,207,599 | |
| Employee share option scheme ("ESOS") | | | | | | | | | |
| - value of employee service: | | | | | | | | | |
| - by the Company | | - | - | - | 500,080 | - | - | 500,080 | |
| - by subsidiary companies | | - | - | - | 118,707 | - | - | 118,707 | |
| Issuance of shares: | | | | | | | | | |
| - exercise of ESOS | | 845,000 | 845,000 | 2,108,275 | (561,925) | - | - | 2,391,350 | |
| Dividends | 12 | - | - | - | - | - | (30,987,622) | (30,987,622) | |
| At 30 June 2016 | | 163,525,800 | 163,525,800 | 8,477,511 | 1,785,871 | 2,707,326 | 68,313,797 | 244,810,305 | |
| At 1 July 2014 | | 160,128,000 | 160,128,000 | - | 2,255,797 | 2,499,244 | 32,440,920 | 197,323,961 | |
| Comprehensive income: | | | | | | | | | |
| - profit for the financial year | | - | - | - | - | - | 65,282,116 | 65,282,116 | |
| - other comprehensive income | | - | - | - | - | 2,498,012 | - | 2,498,012 | |
| Total comprehensive income for the financial year | | - | - | - | - | 2,498,012 | 65,282,116 | 67,780,128 | |
| Employee share option scheme ("ESOS") | | | | | | | | | |
| - value of employee service: | | | | | | | | | |
| - by the Company | | - | - | - | 833,857 | - | - | 833,857 | |
| - by subsidiary companies | | - | - | - | 336,967 | - | - | 336,967 | |
| Issuance of shares: | | | | | | | | | |
| - exercise of ESOS | | 2,552,800 | 2,552,800 | 6,369,236 | (1,697,612) | - | - | 7,224,424 | |
| Dividends | | - | - | - | - | - | (25,919,146) | (25,919,146) | |
| At 30 June 2015 | | 162,680,800 | 162,680,800 | 6,369,236 | 1,729,009 | 4,997,256 | 71,803,890 | 247,580,191 | |



STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

| | Note | Group 2016 RM | Group 2015 RM | Company 2016 RM | Company 2015 RM |
|--|------|---------------------|---------------------|-----------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Profit for the financial year | | 17,785,594 | 51,920,973 | 27,497,529 | 65,282,116 |
| Adjustments for: | | | | | |
| Depreciation of property, plant and equipment | | 16,199,005 | 17,368,954 | 14,862,239 | 16,000,672 |
| Loss/(Gain) on disposals of property, plant and equipment | | 58,204 | (19,660) | 49,719 | (20,000) |
| Property, plant and equipment written off | | 11,911 | 13,898 | - | 5,400 |
| Depreciation of investment properties | | 3,848 | 3,849 | - | - |
| Provision for foreseeable losses - estimated loss to completion | | - | 1,994,435 | - | - |
| Reversal of provision for foreseeable losses | | (1,073,215) | - | - | - |
| Gain on disposals of available- for-sale financial assets | | (1,094,402) | (1,639,874) | (901,659) | (934,225) |
| Impairment losses of available- for-sale financial assets | | - | 89,603 | - | 46,535 |
| Net unrealised gain on foreign exchange | | (160,596) | (357,236) | (78,430) | (194,691) |
| Impairment losses of investment in subsidiary companies | | - | - | 17,034 | 11,369 |
| Provision for impairment: - advances to subsidiary companies | | - | - | 1,228 | 602,066 |
| - receivables | | 39,201 | 19,716 | - | - |
| Reversal of provision for impairment of receivables | | (9,858) | (24,702) | - | - |
| Impairment losses of property, plant and equipment | | 4,050 | - | - | - |
| Inventories written off | | 43,851 | 59,526 | - | - |
| Inventories written down | | - | 120,265 | - | - |
| Interest income: | | | | | |
| - deposits | | (5,042,343) | (4,291,867) | (4,351,729) | (3,178,209) |
| - charged to a subsidiary company | | - | - | (70,160) | (3,054) |
| Interest expense | | 59 | 514 | 56 | 57 |
| Dividend income from available- for-sale financial assets | | (1,684,821) | (1,555,606) | (1,529,714) | (1,066,140) |
| Dividend income from subsidiary companies | | - | - | (12,930,000) | (43,475,000) |
| Value of employee services in relation to ESOS | | | | | |
| - by the Company | | 500,080 | 833,857 | 500,080 | 833,857 |
| - by the subsidiary companies | | 118,707 | 336,967 | - | - |
| Taxation | | 5,254,591 | 16,649,018 | 4,101,172 | 7,138,296 |
| | | 30,953,866 | 81,522,630 | 27,167,365 | 41,049,049 |



STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

| | Note | 2016 RM | Group 2015 RM | 2016 RM | Company 2015 RM |
|--|------|--------------|---------------------|--------------|-----------------------|
| Changes in working capital: | | | | | |
| Net amounts due to customers on contracts | | (2,872,754) | (7,456,049) | - | - |
| Inventories | | 390,617 | (2,973,993) | - | - |
| Receivables | | (1,940,357) | 6,474,919 | (1,968,702) | 6,785,882 |
| Payables | | 6,564,733 | 4,203,908 | 167,672 | (92,040) |
| Amounts due from subsidiary companies | | - | - | (11,820,523) | 559,735 |
| Cash from operations | | 33,096,105 | 81,771,415 | 13,545,812 | 48,302,626 |
| Tax paid | | (13,176,531) | (16,009,992) | (6,156,987) | (4,397,500) |
| Tax refunded | | 1,291 | 197,915 | - | 197,778 |
| Interest income received | | 4,934,126 | 4,113,492 | 4,230,050 | 2,963,175 |
| Interest expense paid | | (59) | (514) | (56) | (57) |
| Net cash flows generated from operating activities | | 24,854,932 | 70,072,316 | 11,618,819 | 47,066,022 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Purchases of property, plant and equipment | 13 | (2,451,207) | (29,194,775) | (1,640,788) | (24,778,518) |
| Proceeds from disposals of property, plant and equipment | | 54,140 | 36,500 | 15,566 | 20,000 |
| Purchases of available-for-sale financial assets | | (13,350,886) | (13,404,885) | (6,961,020) | (7,104,230) |
| Proceeds from disposals of available-for-sale financial assets | | 11,366,527 | 12,153,379 | 6,295,969 | 6,358,525 |
| Dividend income received | | 1,767,114 | 1,410,293 | 31,582,843 | 40,928,724 |
| Advances to subsidiary companies | | - | - | (1,965,500) | (10,999,100) |
| Repayment of advances from subsidiary companies | | - | - | 642,025 | 10,271,000 |
| Decrease in short-term deposits and bank balances used for investment purposes | | 1,602,295 | 887,370 | 802,358 | 761,845 |
| Net cash flows (used in)/generated from investing activities | | (1,012,017) | (28,112,118) | 28,771,453 | 15,458,246 |



STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016 (CONTINUED)

| | Note | Group 2016 RM | Group 2015 RM | Company 2016 RM | Company 2015 RM |
|---|------|---------------------|---------------------|-----------------------|-----------------------|
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| Dividends paid | | (29,293,214) | (24,139,170) | (29,293,214) | (24,139,170) |
| Proceeds from ESOS exercised | | 2,391,350 | 7,224,424 | 2,391,350 | 7,224,424 |
| Repayment of capital distribution from subsidiary companies | | - | - | 336,967 | 812,693 |
| Net cash flows used in financing activities | | (26,901,864) | (16,914,746) | (26,564,897) | (16,102,053) |
| NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS | | (3,058,949) | 25,045,452 | 13,825,375 | 46,422,215 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR | | 172,110,575 | 146,706,425 | 139,630,314 | 93,017,860 |
| CURRENCY TRANSLATION DIFFERENCES | | 158,408 | 358,698 | 78,418 | 190,239 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR | 22 | 169,210,034 | 172,110,575 | 153,534,107 | 139,630,314 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

1 GENERAL INFORMATION

The principal activities of the Company consist of investment holding and undertaking of piling contracts, civil engineering and building construction works and rental of plant and machinery.

The principal activities of the subsidiary companies are set out in Note 14 to the financial statements.

There has been no significant change in the nature of these activities during the financial year.

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

The address of the registered office and principal place of business of the Company is as follows:

No. 8, Jalan Majistret U1/26,
HICOM-Glenmarie Industrial Park,
40150 Shah Alam,
Selangor Darul Ehsan.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in preparing the consolidated financial statements are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

(a) Basis of preparation

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

The financial statements have been prepared under the historical cost convention except as disclosed in the summary of significant accounting policies below.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgment in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgment are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

(i) Standards, amendments to published standards and interpretations that are effective

There are no new accounting standards, amendments to published standards and interpretations that are effective for the first time for the financial year beginning on 1 July 2015.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

- (ii) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group but not yet effective

The Group will apply the new standards, amendments to standards and interpretations in the following periods:

Financial year beginning on 1 July 2016

- Annual Improvements to MFRSs 2012 – 2014 Cycle
- Amendments to MFRS 10, 12 and 128 'Investment Entities – Applying the Consolidation Exception'
- Amendments to MFRS 101 'Presentation of financial statements – Disclosure Initiative'

Financial year beginning on or after 1 July 2017

- Amendments to MFRS 112 'Recognition of Deferred Tax Assets for Unrealised Losses'
- Amendments to MFRS 107 'Statement of Cash Flows – Disclosure Initiative'

Financial year beginning on or after 1 July 2018

- MFRS 9 'Financial Instruments'
- MFRS 15 'Revenue from Contracts with Customers'

Financial year beginning on or after 1 July 2019

- MFRS 16 'Leases'

The Group and the Company are in the process of assessing the full impact of the above standards, amendments to published standards and interpretations on the financial statements of the Group and of the Company in the year of application.

(b) Revenue recognition

- (i) Construction contracts

Revenue from construction contracts is recognised based on the 'percentage-of-completion method' as described in Note 2(j).

- (ii) Sale of goods

Revenue from the sale of goods is based on the value invoiced to customers during the financial year less returns and is recognised in the profit or loss when the significant risks and rewards of ownership have been transferred to the buyer.

- (iii) Rental of machinery

Revenue from rental of machinery are recognised upon performance of services rendered and acceptance of services rendered by customers.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Revenue recognition (continued)

(iv) Dividend income

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

(v) Interest income

Interest income is recognised on a time proportion basis taking into account the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group and the Company.

(vi) Property investment

Rental income is recognised on an accrual basis.

(c) Consolidation

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

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

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date, any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with MFRS 139 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Consolidation (continued)

(i) Subsidiaries (continued)

Inter-company transactions, balances and unrealised gains on transactions between group of companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

(ii) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in equity attributable to owners of the Group.

(iii) Disposal of subsidiaries

When the Group ceases to consolidate because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Gains or losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the subsidiaries sold.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(d) Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are carried at cost less accumulated impairment losses. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

(e) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Property, plant and equipment (continued)

Gains and losses on disposals are determined by comparing the net disposal proceeds with the carrying amount and are included in 'other operating income or expenses' in profit or loss.

Freehold land is not depreciated as it has an indefinite life. Other property, plant and equipment are depreciated on the straight line method to allocate the cost to their residual values over their estimated useful lives, summarised as follows:

| | |
|--------------------------|-----------|
| Freehold building | 2% |
| Plant and machinery | 10% - 20% |
| Motor vehicles | 10% - 20% |
| Site equipment | 10% - 20% |
| Site office and workshop | 10% - 40% |
| Office equipment | 10% - 40% |
| Furniture and fittings | 10% |
| Office renovation | 10% |

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at the end of each reporting period.

At the end of the reporting period, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 2(g) on impairment of non-financial assets.

(f) Investment properties

Investment properties, comprising principally land and office buildings, are held for long-term rental yields or for capital appreciation or both, and are not occupied by the Group.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs if the investment property meets the definition of qualifying asset.

After initial recognition, investment property is stated at cost less any accumulated depreciation and impairment losses. Investment property is depreciated on the straight line basis to allocate the cost to their residual values over their estimated useful lives of 50 years.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is de-recognised.

Investment property is de-recognised either when it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Gains and losses on disposals are determined by comparing the net disposal proceeds with the carrying amount and are included in 'other operating income or expenses' in profit or loss.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of the reporting period.

The impairment loss is charged to profit or loss unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. Impairment losses on goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in profit or loss to the extent of previously recognised impairment losses unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation surplus reserve.

(h) Financial assets

(i) Classification

The Group classifies its financial assets as loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. The Group's loans and receivables comprise 'amounts due from customers on contracts', 'receivables' (excluding advance payments, deposits, prepayments and GST receivables), 'amounts due from subsidiary companies', 'dividend receivable', 'short-term deposits', and 'cash and bank balances' in the statements of financial position.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months from the end of the reporting period.

(ii) Recognition and initial measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset.

Financial assets are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets for all financial assets not carried at fair value through profit or loss.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets (continued)

(iii) Subsequent measurement - Gains and losses

Loans and receivables are subsequently carried at amortised cost using the effective interest method. Available-for-sale financial assets are subsequently carried at fair value.

Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income with a corresponding adjustment in the available-for-sale reserve in equity, except for impairment losses (Note 2(h)(iv)) and foreign exchange gains and losses on monetary assets (Note 2(p)(ii)).

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

(iv) Subsequent measurement - Impairment of financial assets

(a) Financial assets carried at amortised cost

The Group assesses at the end of the reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognised in profit or loss. If 'loans and receivables' has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

When an asset is uncollectible, it is written off against the related allowance account. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial assets (continued)

(iv) Subsequent measurement - Impairment of financial assets (continued)

(b) Assets classified as available-for-sale

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

In the case of equity securities classified as available-for-sale, in addition to the criteria for 'assets carried at amortised cost' above, a significant or prolonged decline in the fair value of the security below its cost is also considered as an indicator that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss that had been recognised directly in equity is removed from equity and recognised in profit or loss. The amount of cumulative loss that is reclassified to profit or loss is the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale are not reversed through profit or loss in subsequent periods.

(v) De-recognition

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

When available-for-sale financial assets are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

(i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

(j) Construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract is recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent agreed with the customer and are capable of being reliably measured.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Construction contracts (continued)

The Group uses the 'percentage-of-completion method' to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the financial year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that is probable will be recoverable.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceed progress billings. Progress billings not yet paid by customers and retention are included within 'receivables'. The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

(k) Cash and cash equivalents

For the purpose of the statements of cash flows, cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents comprise cash on hand, deposits held at call with financial institutions, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(l) Share capital

(i) Classification

Ordinary shares are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

(ii) Share issue costs

Incremental external costs directly attributable to the issue of new shares or options are deducted against equity.

(iii) Dividends

Liability is recognised for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

Distributions to holders of an equity instrument is recognised directly in equity.

(m) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities within the scope of MFRS 139 are recognised on the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments.

Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transactions costs.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Financial liabilities (continued)

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method except for derivatives which are measured at fair value, if any.

For financial liabilities other than derivatives, gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

A financial liability is de-recognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(n) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events where it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Where the Group expects a provision to be reimbursed by another party, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost.

(o) Current and deferred income tax

Tax expense for the financial year comprises current and deferred tax. The income tax expense or credit for the financial year is the tax payable on the current financial year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group and its subsidiaries operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. This liability is measured using the single best estimate of the most likely outcome.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Current and deferred income tax (continued)

Deferred tax is provided in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(p) Foreign currencies

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. However, exchange differences are deferred in other comprehensive income when they arose from qualifying cash flow or net investment hedges or are attributable to items that form part of the net investment in foreign operation.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss on a net basis within 'other operating income or expenses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale, are included in other comprehensive income.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Employee benefits

(i) Short-term employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group. These benefits are accrued when incurred and are measured on an undiscounted basis.

(ii) Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods.

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

(r) Share-based payments

The Group operates an equity-settled, share-based compensation plan under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the options granted in exchange for the services of the employees are recognised as employee benefit expense with a corresponding increase to share option reserve within equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- (i) including any market performance conditions (for example, an entity's share price); and
- (ii) excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period).

Non-market vesting conditions and service conditions are included in the 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. At the end of the reporting period, the Company revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to share option reserve in equity.

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

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised. When options are not exercised and lapsed, the share option reserve is transferred to retained earnings.

In its separate financial statements of the Company, the grant by the Company of options over its equity instruments to the employees of subsidiary in the Group is treated as a capital contribution to the subsidiary. The fair value of options granted to employees of the subsidiary in exchange for the services of the employees to the subsidiary are recognised as investment in subsidiary, with a corresponding credit to equity of the Company.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Contingent assets and liabilities

The Group does not recognise contingent assets and liabilities, but discloses its existence in the financial statements. 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 the extremely rare case where there is a liability that cannot be recognised because it cannot be measured reliably. However, contingent liabilities do not include financial guarantee contracts.

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 discloses its existence where inflows of economic benefits are probable, but not virtually certain.

(t) Inventories

(i) Finished goods, raw materials and work in progress

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work-in-progress comprises design costs, raw materials, direct labour, other direct costs and an appropriate proportion at variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. It excludes borrowing costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and the estimated costs necessary to make the sale.

(ii) Properties

Properties acquired for resale purposes comprise land, direct building costs and other related development costs. Properties are stated at the lower of cost and net realisable value. Cost is determined on a specific identification basis.

(u) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

3 RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital risk management

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of equity (comprising issued capital, reserves and retained earnings). At the reporting date, the Group is not subject to any externally imposed capital requirements.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

3 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial risk management

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its market risks (including price risk, interest rate risk and foreign currency exchange risk), credit risk and liquidity and cash flows risk. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions. Financial risk management is carried out through risk reviews, internal control systems and insurance programme.

(a) Market risks

(i) Price risk

The Group and the Company are exposed to equity securities price risk arising from its available-for-sale investments. To manage its price risk arising from investment in equity securities, the Group and the Company diversify its portfolio which is managed by independent fund managers.

A 5% increase/decrease to the market price of these marketable securities at the reporting date, with other variables held constant, would result in the other comprehensive income of the Group and the Company for the financial year to be RM1,239,121 (2015: RM1,276,368) and RM686,322 (2015: RM707,919) higher/lower, respectively.

(ii) Interest rate risk

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

The Group and the Company have limited interest rate risk exposure as their interest bearing assets such as deposits with licensed banks mainly bear fixed interest rates.

(iii) Foreign currency exchange risk

Foreign currency exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group and the Company are exposed to foreign currency exchange risk as a result of foreign currency transactions entered with third parties in currencies other than Ringgit Malaysia, primarily in Hong Kong Dollar ("HKD"), Singapore Dollar ("SGD"), Indonesian Rupiah ("IDR") and Euro ("EURO").

The Group's exposure to foreign currencies other than functional currencies of the group entities which are in Ringgit Malaysia, in respect of its financial assets and financial liabilities are as follows:

| | Available-for-sale financial assets RM | Receivables RM | Cash and cash equivalents RM | Payables RM | Net financial assets/(liabilities) RM |
|------------------------|---|-------------------|---------------------------------|------------------|--|
| At 30 June 2016 | | | | | |
| HKD | 7,835,485 | 11,853 | 58,759 | - | 7,906,097 |
| SGD | 3,053,205 | 334,741 | 14,563 | (129,360) | 3,273,149 |
| IDR | 7,438,430 | - | 48,911 | (494,447) | 6,992,894 |
| EURO | - | - | 190,188 | - | 190,188 |
| Others | 1,230,127 | 13,899 | 551,061 | (147,937) | 1,647,150 |
| Total | 19,557,247 | 360,493 | 863,482 | (771,744) | 20,009,478 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

3 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial risk management (continued)

(a) Market risks (continued)

(iii) Foreign currency exchange risk (continued)

| | Available-for-sale financial assets RM | Receivables RM | Cash and cash equivalents RM | Payables RM | Net financial assets/ (liabilities) RM |
|------------------------|---|-------------------|---------------------------------|--------------------|--|
| At 30 June 2015 | | | | | |
| HKD | 13,712,818 | 124,210 | 2,337,559 | - | 16,174,587 |
| SGD | 3,033,655 | 723,223 | 172,599 | (212,667) | 3,716,810 |
| IDR | 1,527,972 | - | 9,442 | - | 1,537,414 |
| EURO | - | - | 246,515 | (389,022) | (142,507) |
| Others | 769,858 | 46,534 | 102,837 | (568,735) | 350,494 |
| Total | 19,044,303 | 893,967 | 2,868,952 | (1,170,424) | 21,636,798 |

The Company's exposure to foreign currencies in respect of its financial assets and financial liabilities are as follows:

| | Available-for-sale financial assets RM | Receivables RM | Cash and cash equivalents RM | Payables RM | Net financial assets RM |
|------------------------|---|-------------------|---------------------------------|------------------|----------------------------|
| At 30 June 2016 | | | | | |
| HKD | 4,066,750 | 6,305 | 38,447 | - | 4,111,502 |
| SGD | 1,607,210 | - | 7,563 | (535) | 1,614,238 |
| IDR | 3,873,212 | - | 25,502 | (257,592) | 3,641,122 |
| EURO | - | - | 190,188 | - | 190,188 |
| Others | 641,487 | 7,234 | 285,505 | - | 934,226 |
| Total | 10,188,659 | 13,539 | 547,205 | (258,127) | 10,491,276 |

At 30 June 2015

| | | | | | |
|--------------|------------------|---------------|------------------|----------|-------------------|
| HKD | 7,122,339 | 64,997 | 1,191,325 | - | 8,378,661 |
| SGD | 1,600,779 | - | 50,303 | - | 1,651,082 |
| IDR | 795,400 | - | 4,938 | - | 800,338 |
| EURO | - | - | 246,515 | - | 246,515 |
| Others | 402,678 | 24,227 | 80,368 | - | 507,273 |
| Total | 9,921,196 | 89,224 | 1,573,449 | - | 11,583,869 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

3 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial risk management (continued)

(a) Market risks (continued)

(iii) Foreign currency exchange risk (continued)

The following table demonstrates the sensitivity of the Group's and the Company's total comprehensive income for the financial year to the reasonable change in major currency exchange rates against Ringgit Malaysia, with all other variables held constant.

| | Strengthen by % | Increase/(Decrease) in profit or loss for the financial year | |
|-----------------|-----------------|--|------------|
| | | 2016 RM | 2015 RM |
| Group | | | |
| HKD against RM | 1% (2015: 8%) | 706 | 196,942 |
| SGD against RM | 1% (2015: 5%) | 2,199 | 34,158 |
| IDR against RM | 1% (2015: 4%) | (4,455) | 378 |
| EURO against RM | 1% (2015: 8%) | 1,902 | (11,401) |
| Company | | | |
| HKD against RM | 1% (2015: 8%) | 448 | 100,506 |
| SGD against RM | 1% (2015: 5%) | 70 | 2,515 |
| IDR against RM | 1% (2015: 4%) | (2,321) | 198 |
| EURO against RM | 1% (2015: 8%) | 1,902 | 19,721 |

| | Strengthen by % | Increase/(Decrease) in equity for the financial year | |
|-----------------|-----------------|--|------------|
| | | 2016 RM | 2015 RM |
| Group | | | |
| HKD against RM | 1% (2015: 8%) | 79,061 | 1,293,967 |
| SGD against RM | 1% (2015: 5%) | 32,731 | 185,841 |
| IDR against RM | 1% (2015: 4%) | 69,929 | 61,497 |
| EURO against RM | 1% (2015: 8%) | 1,902 | (11,401) |
| Company | | | |
| HKD against RM | 1% (2015: 8%) | 41,115 | 670,293 |
| SGD against RM | 1% (2015: 5%) | 16,142 | 82,554 |
| IDR against RM | 1% (2015: 4%) | 36,411 | 32,014 |
| EURO against RM | 1% (2015: 8%) | 1,902 | 19,721 |

A similar percentage decrease in the foreign exchange rate would have the equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

3 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial risk management (continued)

(b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to trade receivables and amounts due from subsidiary companies.

Credit risk, when making deposits at financial institutions, is minimised through careful selection of interest bearing investments and selection of reputable and creditworthy financial institutions.

Customer credit risk arises when services are rendered and sales are made on credit terms. Default by customers may lead to material loss but risks are mitigated by ensuring sales and services are made to customers with appropriate credit history. The Group monitors exposure to credit risk on an on-going basis.

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position. Information regarding trade receivables that are neither past due nor impaired and either past due or impaired are disclosed in Notes 20 and 21 to the financial statements.

(c) Liquidity and cash flows risk

The Group's policy on liquidity risk management is to maintain sufficient cash and have available funding through adequate amounts of committed credit facilities and credit lines for working capital requirements.

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

| | Less than 1 year | |
|-----------------------------|-------------------|-------------------|
| | Group RM | Company RM |
| At 30 June 2016 | | |
| Trade payables | 36,727,106 | - |
| Other payables and accruals | 6,002,138 | 1,496,911 |
| Dividend payable | 13,082,064 | 13,082,064 |
| | 55,811,308 | 14,578,975 |
| At 30 June 2015 | | |
| Trade payables | 30,701,859 | - |
| Other payables and accruals | 4,909,586 | 511,556 |
| Dividend payable | 11,387,656 | 11,387,656 |
| | 46,999,101 | 11,899,212 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

3 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value measurement

The carrying amounts of cash and cash equivalents, trade and other current assets, and trade and other liabilities approximated their respective fair values due to relatively short-term maturity of these financial instruments. The fair value of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's and the Company's financial asset that are measured at fair value.

Group

| | Level 1 RM | Total RM |
|-------------------------------------|---------------|-------------|
| At 30 June 2016 | | |
| Asset | | |
| Available-for-sale financial assets | | |
| - marketable securities | 24,782,411 | 24,782,411 |

At 30 June 2015

Asset

| | | |
|-------------------------------------|------------|------------|
| Available-for-sale financial assets | | |
| - marketable securities | 25,527,368 | 25,527,368 |

Company

| | Level 1 RM | Total RM |
|-------------------------------------|---------------|-------------|
| At 30 June 2016 | | |
| Asset | | |
| Available-for-sale financial assets | | |
| - marketable securities | 13,726,432 | 13,726,432 |

At 30 June 2015

Asset

| | | |
|-------------------------------------|------------|------------|
| Available-for-sale financial assets | | |
| - marketable securities | 14,158,372 | 14,158,372 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

3 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value measurement (continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group and the Company is the current bid price. Instruments included in Level 1 comprise quoted securities.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Group's results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

(a) Construction contracts

The Group recognises contract profits based on 'percentage-of-completion method'. The stage of completion is measured by reference to the contract costs incurred to date to the estimated total costs for the contract.

Significant judgment is required in determining the estimated total contract costs, and hence the stage of completion, the variation orders, provisional deduction for progress billings for projects not finalised, rectification works to be carried out on completed projects and liquidated ascertained damages based on expected completion dates of the projects. In making the judgment, the Group relied on past experience and work of specialists, if deemed necessary, circumstances of the projects and specific past experiences with the customers.

Any changes in any of the components may have a significant impact on the financial position of the Group.

If the estimated costs to complete in respect of projects which are still on-going as at 30 June 2016 were 5% higher/lower with all other variables held constant, this would have decrease/increase the pre-tax profit of the Group by approximately RM1,561,000.

(b) Provision for impairment of receivables

The Group recognises a provision for impairment of receivables when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

(b) Provision for impairment of receivables (continued)

Significant judgment is required in the assessment of the recoverability of receivables. If there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event'), significant judgment is required to estimate the amount and timing of future cash flows to determine the impairment amount required.

To the extent that actual recoveries deviate from management's estimates, such variances may have a material impact on the profit or loss. Based on management's assessment, management believes that the current level of provision for impairment of receivables is adequate. In addition, management is also rigorously monitoring the recoverability of these receivables.

(c) Income taxes and deferred tax assets

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the financial year in which such determination is made.

Deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. This involves judgment regarding the future financial performance of the particular entity in which the deferred tax asset has been recognised. Deferred tax assets not recognised are disclosed in Note 17.

5 REVENUE

| | Group | | Company | |
|---|-------------|-------------|------------|------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Construction contracts | 103,082,953 | 205,601,180 | - | - |
| Sale of goods | 33,790,640 | 37,398,259 | - | - |
| Dividend income from subsidiary companies (gross) | - | - | 12,930,000 | 43,475,000 |
| Income from rental of machinery | - | - | 28,817,500 | 42,195,335 |
| | 136,873,593 | 242,999,439 | 41,747,500 | 85,670,335 |

6 FINANCE COST

| | Group | | Company | |
|-------------------|------------|------------|------------|------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Interest expense: | | | | |
| - bank overdraft | 59 | 514 | 56 | 57 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

7 PROFIT BEFORE TAXATION

| | Group | | Company | |
|---|------------|------------|------------|------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Profit before taxation is arrived at after charging: | | | | |
| Auditors' remuneration: | | | | |
| Audit fees: | | | | |
| - current year | 138,350 | 128,350 | 45,000 | 42,000 |
| - prior year | 10,000 | 22,500 | 3,000 | 4,500 |
| Other fees: | | | | |
| - current year | 8,500 | 8,500 | 8,500 | 8,500 |
| Provision for impairment: | | | | |
| - advances to subsidiary companies | - | - | 1,228 | 602,066 |
| - receivables | 39,201 | 19,716 | - | - |
| Provision for foreseeable losses | | | | |
| - percentage completed | - | 2,405,565 | - | - |
| - estimated loss to completion | - | 1,994,435 | - | - |
| | - | 4,400,000 | - | - |
| Depreciation of: | | | | |
| - property, plant and equipment | 16,199,005 | 17,368,954 | 14,862,239 | 16,000,672 |
| - investment properties | 3,848 | 3,849 | - | - |
| Property, plant and equipment written off | 11,911 | 13,898 | - | 5,400 |
| Loss on disposals of property, plant and equipment | 58,204 | - | 49,719 | - |
| Inventories written off | 43,851 | 59,526 | - | - |
| Inventories written down | - | 120,265 | - | - |
| Sub-contractor costs | 17,529,958 | 27,646,383 | - | - |
| Direct construction materials | 31,285,716 | 66,671,649 | - | - |
| Direct construction expenses | 12,716,701 | 17,536,847 | - | - |
| Raw materials consumed | 18,757,621 | 21,809,053 | - | - |
| Manufacturing expenses | 4,512,333 | 4,798,611 | - | - |
| Plant and machinery services | 2,667,510 | 3,960,434 | - | - |
| Staff cost (including remuneration of Directors) (Note 9) | 17,592,295 | 19,229,502 | 1,238,797 | 1,620,091 |
| Rental of accommodation | 42,148 | 72,476 | - | - |
| Directors' fees | 75,000 | 90,000 | 75,000 | 90,000 |
| Impairment losses of investment in subsidiary companies | - | - | 17,034 | 11,369 |
| Impairment losses of property, plant and equipment | 4,050 | - | - | - |
| Impairment losses of available-for-sale financial assets | - | 89,603 | - | 46,535 |
| Net realised loss on foreign exchange | 119,917 | - | 29,854 | - |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

7 PROFIT BEFORE TAXATION (CONTINUED)

| | Group | | Company | |
|--|------------|------------|------------|------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Profit before taxation is arrived at after crediting: | | | | |
| Dividend income from available-for-sale financial assets (gross) | 1,684,821 | 1,555,606 | 1,529,714 | 1,066,140 |
| Dividend income from subsidiary companies | - | - | 12,930,000 | 43,475,000 |
| Gain on disposals of property, plant and equipment | - | 19,660 | - | 20,000 |
| Gain on disposals of available-for-sale financial assets | 1,094,402 | 1,639,874 | 901,659 | 934,225 |
| Interest income | | | | |
| - deposits | 5,042,343 | 4,291,867 | 4,351,729 | 3,178,209 |
| - charged to a subsidiary company | - | - | 70,160 | 3,054 |
| Net realised gain on foreign exchange | - | 300,120 | - | 334,298 |
| Net unrealised gain on foreign exchange | 160,596 | 357,236 | 78,430 | 194,691 |
| Reversal of provision for impairment of receivables | 9,858 | 24,702 | - | - |
| Reversal of provision for foreseeable losses | 1,073,215 | - | - | - |

In addition, construction contract cost of the Group recognised as an expense during the financial year amounted to RM86,928,343 (2015: RM145,194,392). Inventory costs of the Group recognised as an expense during the financial year amounted to RM26,934,048 (2015: RM30,212,919). Included in cost of sales of the Group and the Company is depreciation expense amounting to RM15,822,451 (2015: RM16,956,669) and RM14,600,111 (2015: RM15,698,921) respectively.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

8 OPERATING COSTS

| | Group | | Company | |
|--|--------------------|--------------------|-------------------|-------------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Expenses by nature | | | | |
| Sub-contractor costs | 17,529,958 | 27,646,383 | - | - |
| Direct construction materials | 31,285,716 | 66,671,649 | - | - |
| Direct construction expenses | 12,716,701 | 17,536,847 | - | - |
| Raw materials consumed | 18,757,621 | 21,809,053 | - | - |
| Manufacturing expenses | 4,512,333 | 4,798,611 | - | - |
| Provision for impairment: | | | | |
| - advances to subsidiary companies | - | - | 1,228 | 602,066 |
| - receivables | 39,201 | 19,716 | - | - |
| Depreciation of: | | | | |
| - property, plant and equipment | 16,199,005 | 17,368,954 | 14,862,239 | 16,000,672 |
| - investment properties | 3,848 | 3,849 | - | - |
| Loss on disposals of property, plant and equipment | 58,204 | - | 49,719 | - |
| Inventories written off | 43,851 | 59,526 | - | - |
| Staff cost (including remuneration of Directors) (Note 9) | 17,592,295 | 19,229,502 | 1,238,797 | 1,620,091 |
| Rental of accommodation | 42,148 | 72,476 | - | - |
| Net realised loss on foreign exchange | 119,917 | - | 29,854 | - |
| Impairment losses of investments in subsidiary companies | - | - | 17,034 | 11,369 |
| Impairment losses of property, plant and equipment | 4,050 | - | - | - |
| Impairment losses of available-for-sale financial assets | - | 89,603 | - | 46,535 |
| Provision for foreseeable losses | | | | |
| - estimated loss to completion | - | 1,994,435 | - | - |
| Plant and machinery services | 2,667,510 | 3,960,434 | - | - |
| Reversal of provision for foreseeable losses | (1,073,215) | - | - | - |
| Other operating cost | 2,028,756 | 2,686,816 | 943,789 | 1,061,011 |
| Total cost of sales, administrative expenses and other operating expenses | 122,527,899 | 183,947,854 | 17,142,660 | 19,341,744 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

9 STAFF COST

| | Group | | Company | |
|--|------------|------------|------------|------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Wages, salaries and bonuses | 15,130,067 | 16,182,201 | 655,384 | 696,210 |
| Defined contribution plan | 1,536,546 | 1,517,052 | 80,620 | 85,901 |
| Other employee benefits | 306,895 | 359,425 | 2,713 | 4,123 |
| Share option granted to employees (Note 23) | 618,787 | 1,170,824 | 500,080 | 833,857 |
| | 17,592,295 | 19,229,502 | 1,238,797 | 1,620,091 |

Directors' remuneration is analysed as follows:

| | Group | | Company | |
|--------------------------------------|------------|------------|------------|------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Executive Directors: | | | | |
| - salaries and bonuses | 2,327,000 | 2,268,000 | 381,000 | 389,000 |
| - defined contribution plan | 291,110 | 282,830 | 47,520 | 48,480 |
| - other employee benefits | 666 | - | 237 | - |
| - benefits-in-kind | 58,750 | 58,750 | 34,800 | 34,800 |
| - share options granted to Directors | 463,616 | 773,055 | 463,616 | 773,055 |
| | 3,141,142 | 3,382,635 | 927,173 | 1,245,335 |
| Non-Executive Directors: | | | | |
| - fees: | | | | |
| - current year | 75,000 | 75,000 | 75,000 | 75,000 |
| - prior year | - | 15,000 | - | 15,000 |
| | 75,000 | 90,000 | 75,000 | 90,000 |
| | 3,216,142 | 3,472,635 | 1,002,173 | 1,335,335 |
| Total (excluding benefits-in-kind) | 3,157,392 | 3,413,885 | 967,373 | 1,300,535 |

The Executive Directors of the Company have been granted options under the Employee Share Option Scheme ("ESOS") on the same terms and conditions as those offered to other employees of the Group (Note 23).



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

10 TAXATION

| | Group | | Company | |
|---|-------------|------------|------------|------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Current taxation: | | | | |
| - current financial year | 7,183,487 | 16,483,610 | 4,688,146 | 6,873,435 |
| - over provision in prior financial years | (6,033) | (36,183) | (10,198) | (2,442) |
| | 7,177,454 | 16,447,427 | 4,677,948 | 6,870,993 |
| Deferred taxation (Note 17) | (1,922,863) | 201,591 | (576,776) | 267,303 |
| | 5,254,591 | 16,649,018 | 4,101,172 | 7,138,296 |

The reconciliation between the effective tax rate and the Malaysian statutory tax rate are as follows:

| | Group | | Company | |
|--|-----------|-----------|-----------|-----------|
| | 2016 % | 2015 % | 2016 % | 2015 % |
| Statutory income tax rate | 24.0 | 25.0 | 24.0 | 25.0 |
| Tax effects of: | | | | |
| - income not subject to tax | (3.1) | (1.3) | (11.8) | (15.8) |
| - expenses not deductible for tax purposes | 1.9 | 0.7 | 0.8 | 0.7 |
| - over provision in prior financial years | - | (0.1) | - | - |
| Effective tax rate | 22.8 | 24.3 | 13.0 | 9.9 |

11 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the Group's profit attributable to equity holders by the weighted average number of ordinary shares in issue during the financial year.

| | Group | |
|---|-------------|-------------|
| | 2016 | 2015 |
| Profit attributable to equity holders of the Company (RM) | 17,785,594 | 51,920,973 |
| Weighted average number of ordinary shares in issue | 162,918,254 | 161,372,245 |
| Basic earnings per share (sen) | 10.9 | 32.2 |

Diluted earnings per share of the Group is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

11 EARNINGS PER SHARE (CONTINUED)

| | Group | |
|---|-------------|-------------|
| | 2016 | 2015 |
| Profit attributable to equity holders of the Company (RM) | 17,785,594 | 51,920,973 |
| Weighted average number of ordinary shares in issue | 162,918,254 | 161,372,245 |
| Effect of dilution arising from ESOS | 498,517 | 1,412,517 |
| Weighted average number of ordinary shares for diluted earnings per share | 163,416,771 | 162,784,762 |
| Diluted earnings per share (sen) | 10.9 | 31.9 |

12 DIVIDENDS

| | Group and Company | |
|---|------------------------------|-----------------------------|
| | Dividend per share sen | Amount of dividend RM |
| In respect of financial year ended 30 June 2015: | | |
| - interim single-tier dividend of 7 sen per share, declared on 15 May 2015, paid on 9 July 2015 | 7 | 11,387,656 |
| - final single-tier dividend of 11 sen per share, declared on 18 September 2015, paid on 12 January 2016 | 11 | 17,905,558 |
| | 18 | 29,293,214 |
| In respect of financial year ended 30 June 2016: | | |
| - interim single-tier dividend of 8 sen per share, declared on 18 May 2016, paid on 12 July 2016 | 8 | 13,082,064 |
| - final single-tier dividend of 12 sen per share, recommended on 29 August 2016 | 12 | 19,624,776 |
| | 20 | 32,706,840 |

At the forthcoming Annual General Meeting, a final single-tier dividend in respect of financial year ended 30 June 2016 of 12 sen (2015: 11 sen) per share amounting to RM19,624,776 (2015: RM17,905,558) will be proposed for shareholders' approval. These financial statements do not reflect this proposed final dividend which will be accrued as a liability in the financial year ending 30 June 2017 when approved by the shareholders.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

13 PROPERTY, PLANT AND EQUIPMENT

| Group | Freehold land RM | Freehold building RM | Plant and machinery RM | Motor vehicles RM | Site equipment RM | Site office and workshop RM | Office equipment RM | Furniture and fittings RM | Office renovation RM | Total RM |
|-----------------------------|---------------------|-------------------------|---------------------------|----------------------|----------------------|--------------------------------|------------------------|------------------------------|-------------------------|---------------|
| Net book value | | | | | | | | | | |
| At 1 July 2015 | 17,659,232 | 7,149,867 | 81,169,132 | 1,908,517 | 2,486,078 | 230,572 | 218,953 | 36,883 | 33,186 | 110,892,420 |
| Additions | - | - | 2,271,823 | 54,740 | 18,800 | 117,901 | 123,828 | 1,508 | - | 2,588,600 |
| Disposals | - | - | - | (104,779) | - | (5,856) | (1,709) | - | - | (112,344) |
| Write off | - | - | - | - | - | (8,119) | (3,792) | - | - | (11,911) |
| Depreciation charge | - | (198,631) | (14,622,358) | (379,105) | (821,165) | (48,682) | (114,375) | (6,949) | (7,740) | (16,199,005) |
| Impairment loss | - | - | - | - | (4,050) | - | - | - | - | (4,050) |
| At 30 June 2016 | 17,659,232 | 6,951,236 | 68,818,597 | 1,479,373 | 1,679,663 | 285,816 | 222,905 | 31,442 | 25,446 | 97,153,710 |
| At 30 June 2016 | | | | | | | | | | |
| Cost | 17,659,232 | 11,025,079 | 208,216,861 | 4,706,660 | 7,642,806 | 585,410 | 1,173,688 | 133,703 | 121,861 | 251,265,300 |
| Accumulated depreciation | - | (4,073,843) | (139,398,264) | (3,227,287) | (5,910,343) | (299,594) | (950,783) | (102,261) | (96,415) | (154,058,790) |
| Accumulated impairment loss | - | - | - | - | (52,800) | - | - | - | - | (52,800) |
| Net book value | 17,659,232 | 6,951,236 | 68,818,597 | 1,479,373 | 1,679,663 | 285,816 | 222,905 | 31,442 | 25,446 | 97,153,710 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| Group | Freehold land RM | Freehold building RM | Plant and machinery RM | Motor vehicles RM | Site equipment RM | Site office and workshop RM | Office equipment RM | Furniture and fittings RM | Office renovation RM | Total RM |
|-----------------------------|------------------|----------------------|------------------------|-------------------|-------------------|-----------------------------|---------------------|---------------------------|----------------------|---------------|
| Net book value | | | | | | | | | | |
| At 1 July 2014 | 11,810,114 | 7,348,499 | 83,666,139 | 1,668,167 | 2,806,959 | 209,032 | 158,570 | 39,658 | 41,243 | 107,748,381 |
| Additions | 5,849,118 | - | 13,225,032 | 733,064 | 489,678 | 72,788 | 169,781 | 4,270 | - | 20,543,731 |
| Disposals | - | - | (600) | (16,240) | - | - | - | - | - | (16,840) |
| Write off | - | - | (5,400) | - | (330) | (4,692) | (3,476) | - | - | (13,898) |
| Depreciation charge | - | (198,632) | (15,716,039) | (476,474) | (810,229) | (46,556) | (105,922) | (7,045) | (8,057) | (17,368,954) |
| At 30 June 2015 | 17,659,232 | 7,149,867 | 81,169,132 | 1,908,517 | 2,486,078 | 230,572 | 218,953 | 36,883 | 33,186 | 110,892,420 |
| At 30 June 2015 | | | | | | | | | | |
| Cost | 17,659,232 | 11,025,079 | 205,945,875 | 5,175,811 | 7,659,606 | 496,108 | 1,116,287 | 132,195 | 121,861 | 249,332,054 |
| Accumulated depreciation | - | (3,875,212) | (124,776,743) | (3,267,294) | (5,124,778) | (265,536) | (897,334) | (95,312) | (88,675) | (138,390,884) |
| Accumulated impairment loss | - | - | - | - | (48,750) | - | - | - | - | (48,750) |
| Net book value | 17,659,232 | 7,149,867 | 81,169,132 | 1,908,517 | 2,486,078 | 230,572 | 218,953 | 36,883 | 33,186 | 110,892,420 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| Company | Freehold land RM | Freehold building RM | Plant and machinery RM | Motor vehicles RM | Site equipment RM | Site office and workshop RM | Office equipment RM | Furniture and fittings RM | Office renovation RM | Total RM |
|--------------------------|------------------|----------------------|------------------------|-------------------|-------------------|-----------------------------|---------------------|---------------------------|----------------------|---------------|
| Net book value | | | | | | | | | | |
| At 1 July 2015 | 11,517,892 | 3,019,870 | 76,306,081 | 604,969 | 1,862,536 | 1,180 | 18,892 | - | 33,187 | 93,364,607 |
| Additions | - | - | 2,147,203 | - | - | - | 20,000 | - | - | 2,167,203 |
| Disposals | - | - | - | (65,285) | - | - | - | - | - | (65,285) |
| Depreciation charge | - | (89,412) | (14,015,667) | (148,910) | (583,649) | (795) | (16,066) | - | (7,740) | (14,862,239) |
| At 30 June 2016 | 11,517,892 | 2,930,458 | 64,437,617 | 390,774 | 1,278,887 | 385 | 22,826 | - | 25,447 | 80,604,286 |
| At 30 June 2016 | | | | | | | | | | |
| Cost | 11,517,892 | 4,470,640 | 185,208,255 | 1,717,405 | 4,523,755 | 38,301 | 102,351 | 38,164 | 121,861 | 207,738,624 |
| Accumulated depreciation | - | (1,540,182) | (120,770,638) | (1,326,631) | (3,244,868) | (37,916) | (79,525) | (38,164) | (96,414) | (127,134,338) |
| Net book value | 11,517,892 | 2,930,458 | 64,437,617 | 390,774 | 1,278,887 | 385 | 22,826 | - | 25,447 | 80,604,286 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| Company | Freehold land RM | Freehold building RM | Plant and machinery RM | Motor vehicles RM | Site equipment RM | Site office and workshop RM | Office equipment RM | Furniture and fittings RM | Office renovation RM | Total RM |
|--------------------------|------------------|----------------------|------------------------|-------------------|-------------------|-----------------------------|---------------------|---------------------------|----------------------|---------------|
| Net book value | | | | | | | | | | |
| At 1 July 2014 | 5,668,774 | 3,109,283 | 82,347,710 | 573,079 | 2,153,241 | 1,135 | 538 | - | 41,244 | 93,895,004 |
| Additions | 5,849,118 | - | 9,092,382 | 224,700 | 278,000 | 1,650 | 29,825 | - | - | 15,475,675 |
| Write off | - | - | (5,400) | - | - | - | - | - | - | (5,400) |
| Depreciation charge | - | (89,413) | (15,128,611) | (192,810) | (568,705) | (1,605) | (11,471) | - | (8,057) | (16,000,672) |
| At 30 June 2015 | 11,517,892 | 3,019,870 | 76,306,081 | 604,969 | 1,862,536 | 1,180 | 18,892 | - | 33,187 | 93,364,607 |
| At 30 June 2015 | | | | | | | | | | |
| Cost | 11,517,892 | 4,470,640 | 183,061,052 | 2,043,828 | 4,523,755 | 38,301 | 104,217 | 38,164 | 121,861 | 205,919,710 |
| Accumulated depreciation | - | (1,450,770) | (106,754,971) | (1,438,859) | (2,661,219) | (37,121) | (85,325) | (38,164) | (88,674) | (112,555,103) |
| Net book value | 11,517,892 | 3,019,870 | 76,306,081 | 604,969 | 1,862,536 | 1,180 | 18,892 | - | 33,187 | 93,364,607 |



NOTES TO THE FINANCIAL STATEMENTS

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13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The cash outflow for the acquisition of property, plant and equipment during the financial year is:

| | Group | | Company | |
|--|------------|------------|------------|------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Total acquisition of property, plant and equipment | 2,588,600 | 20,543,731 | 2,167,203 | 15,475,675 |
| Settlement on acquisition of property, plant and equipment in prior year | 389,022 | 9,040,066 | - | 9,302,843 |
| Accrual on acquisition of property, plant and equipment in current year | (526,415) | (389,022) | (526,415) | - |
| Cash outflow for acquisition of property, plant and equipment | 2,451,207 | 29,194,775 | 1,640,788 | 24,778,518 |

14 INVESTMENTS IN SUBSIDIARY COMPANIES

| | Company | |
|---|------------|------------|
| | 2016 RM | 2015 RM |
| Unquoted shares, at cost | 5,000,006 | 5,000,006 |
| Capital contribution to subsidiary companies arising from issuance of ESOS to their employees | 118,707 | 336,967 |
| Less: Accumulated impairment losses | (686,895) | (669,861) |
| | 4,431,818 | 4,667,112 |

The subsidiary companies, all of which are incorporated in Malaysia, are as follows:

| Name of subsidiary companies | Principal activities | Percentage of equity interest | |
|---------------------------------|---|-------------------------------|-----------|
| | | 2016 % | 2015 % |
| Pintaras Geotechnics Sdn. Bhd.* | Geotechnical and foundation engineering services | 100 | 100 |
| Pintaras Megah Sdn. Bhd.* | Civil engineering and building superstructure contractor | 100 | 100 |
| Pintaras Prima Sdn. Bhd.* | Investment holding and provision of management services | 100 | 100 |
| Primapac Sdn. Bhd.* | Manufacturing of containers and provisions of management services | 100 | 100 |



NOTES TO THE FINANCIAL STATEMENTS

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14 INVESTMENTS IN SUBSIDIARY COMPANIES (CONTINUED)

The subsidiary companies, all of which are incorporated in Malaysia, are as follows: (continued)

| Name of subsidiary companies | Principal activities | Percentage of equity interest | |
|---|---|-------------------------------|-----------|
| | | 2016 % | 2015 % |
| Pintaras Development Sdn. Bhd.* | Property investment and development | 100 | 100 |
| Readycast Concrete Industries Sdn. Bhd.* | Dormant, manufacturing of pre-cast concrete piles and concrete related products | 100 | 100 |
| Pintaras (East Malaysia) Sdn. Bhd.* | Dormant, foundation and civil engineering contractor | 100 | 100 |
| Pintaras Piling Sdn. Bhd.* | Dormant, driven pile contractor | 100 | 100 |
| Solidprop Sdn. Bhd.* | Dormant, property investment | 100 | 100 |
| <u>Subsidiary companies of</u> <u>Pintaras Geotechnics Sdn. Bhd.</u> | | | |
| System Micro-Piling Sdn. Bhd.* | Specialised geotechnical contractor | 100 | 100 |
| E-Wall Sdn. Bhd.* | Manufacturing and installation of segmental pre-cast concrete retaining walls | 100 | 100 |
| <u>Subsidiary company of</u> <u>Pintaras Development Sdn. Bhd.</u> | | | |
| SMPP Development Sdn. Bhd.* | Dormant, property developer | 100 | 100 |
| <u>Subsidiary company of</u> <u>Pintaras Prima Sdn. Bhd.</u> | | | |
| Prima Packaging Sdn. Bhd.* | Manufacturing of metal containers | 100 | 100 |

* Audited by PricewaterhouseCoopers, Malaysia



NOTES TO THE FINANCIAL STATEMENTS

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15 INVESTMENT PROPERTIES

| | Group | |
|--|------------|------------|
| | 2016 RM | 2015 RM |
| Cost | | |
| At beginning/end of the financial year | 192,437 | 192,437 |
| Accumulated depreciation | | |
| At 1 July 2015/2014 | 62,221 | 58,372 |
| Depreciation charge | 3,848 | 3,849 |
| At 30 June | 66,069 | 62,221 |
| Net book value | | |
| At 30 June | 126,368 | 130,216 |
| Fair value | 259,670 | 146,900 |

The fair value of investment properties was based on valuations using prevailing market prices. The fair values of investment properties are within Level 2 of the fair value hierarchy.

The investment properties are held primarily for capital appreciation purposes. Direct operating expenses of those investment properties for the Group during the financial year amounted to RM5,698 (2015: RM6,510).

16 AVAILABLE-FOR-SALE FINANCIAL ASSETS

| | Group | | Company | |
|---|------------|------------|------------|------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Marketable securities: | | | | |
| - shares of corporations quoted in Malaysia | 5,225,164 | 6,483,065 | 3,537,773 | 4,237,176 |
| - shares of corporations quoted outside Malaysia | 19,557,247 | 19,044,303 | 10,188,659 | 9,921,196 |
| | 24,782,411 | 25,527,368 | 13,726,432 | 14,158,372 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

17 DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

| | Group | | Company | |
|---|--------------|--------------|--------------|--------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Deferred tax assets | 2,178,976 | 781,604 | - | - |
| Deferred tax liabilities | (13,296,472) | (13,821,963) | (12,428,797) | (13,005,573) |
| Deferred tax | (11,117,496) | (13,040,359) | (12,428,797) | (13,005,573) |
| At 1 July 2015/2014 | (13,040,359) | (12,838,768) | (13,005,573) | (12,738,270) |
| Credited/(Charged) to profit or loss (Note 10): | | | | |
| - property, plant and equipment | 531,095 | (497,843) | 578,889 | (266,898) |
| - provisions | 1,391,768 | 296,252 | (2,113) | (405) |
| | 1,922,863 | (201,591) | 576,776 | (267,303) |
| At 30 June | (11,117,496) | (13,040,359) | (12,428,797) | (13,005,573) |
| Subject to income tax | | | | |
| Deferred tax assets (before offsetting): | | | | |
| - provisions | 2,482,509 | 1,090,741 | 20,111 | 22,224 |
| Offsetting | (303,533) | (309,137) | (20,111) | (22,224) |
| Deferred tax assets (after offsetting) | 2,178,976 | 781,604 | - | - |
| Deferred tax liabilities (before offsetting): | | | | |
| - property, plant and equipment | (13,600,005) | (14,131,100) | (12,448,908) | (13,027,797) |
| Offsetting | 303,533 | 309,137 | 20,111 | 22,224 |
| Deferred tax liabilities (after offsetting) | (13,296,472) | (13,821,963) | (12,428,797) | (13,005,573) |

The amount of deductible temporary differences and unused tax losses (both of which have no expiry date) for which no deferred tax assets are recognised in the statements of financial position are as follows:

| | Group | |
|---|------------|------------|
| | 2016 RM | 2015 RM |
| Property, plant and equipment | 87,240 | 87,240 |
| Unused tax losses | 9,785,619 | 9,772,578 |
| | 9,872,859 | 9,859,818 |
| Effect at Malaysian tax rate of 24% (2015: 24%) | 2,369,486 | 2,366,356 |

Deferred tax assets have not been recognised in respect of the above items because it is not probable that future taxable profits will be available against which the deferred tax assets can be utilised in these subsidiaries.



NOTES TO THE FINANCIAL STATEMENTS

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18 AMOUNTS DUE FROM/(TO) CUSTOMERS ON CONTRACTS

| | 2016 RM | Group 2015 RM |
|---|--------------|---------------------|
| Aggregate costs to date | 35,760,978 | 50,984,873 |
| Attributable profit | 17,067,401 | 23,218,915 |
| Provision for foreseeable losses | - | (4,400,000) |
| | 52,828,379 | 69,803,788 |
| Progress billings | (50,009,393) | (70,930,771) |
| | 2,818,986 | (1,126,983) |
| Amounts due from customers on contracts | 4,209,978 | 827,368 |
| Amounts due to customers on contracts | (1,390,992) | (1,954,351) |
| | 2,818,986 | (1,126,983) |

19 INVENTORIES

| | 2016 RM | Group 2015 RM |
|------------------|------------|---------------------|
| Raw materials | 7,054,894 | 7,662,436 |
| Work-in-progress | 6,597,568 | 7,071,797 |
| Finished goods | 1,457,859 | 1,509,406 |
| Properties | 2,840,288 | 2,141,438 |
| | 17,950,609 | 18,385,077 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

20 RECEIVABLES

| | Group | | Company | |
|---|-------------|-------------|------------|------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Trade receivables | 64,970,169 | 57,174,992 | - | - |
| Retention sum on contracts | 15,481,020 | 23,468,138 | - | - |
| Less: Provision for impairment of trade receivables | (847,025) | (865,668) | - | - |
| | 79,604,164 | 79,777,462 | - | - |
| Other receivables | 1,947,444 | 1,935,714 | 513,853 | 418,938 |
| Less: Provision for impairment of other receivables | (1,289,235) | (1,289,235) | - | - |
| | 658,209 | 646,479 | 513,853 | 418,938 |
| Advance payments | 1,764,483 | 155,582 | 1,509,072 | - |
| Deposits | 225,693 | 223,862 | 10,652 | 7,190 |
| Prepayments | 529,668 | 287,110 | 354,856 | 94,999 |
| GST receivables | 245,917 | - | 199,946 | - |
| | 3,423,970 | 1,313,033 | 2,588,379 | 521,127 |
| Total | 83,028,134 | 81,090,495 | 2,588,379 | 521,127 |

The Group's top five customers make up 47% (2015: 55%) of the Group's trade receivables. Management believes that no additional credit risk beyond amounts allowed for collection losses is inherent in the Group's trade receivables as the Directors are of the view that the credit risk is minimal in view of the historical settlement of the receivables from these customers. Apart from this, the Group has no significant concentration of credit risk that may arise from exposure to a single customer or to groups of customers.

The ageing analysis of the Group's and the Company's receivables (excluding advance payments, deposits, prepayments and GST receivables) is as follows:

| | Group | | Company | |
|-------------------------------|------------|------------|------------|------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Neither past due nor impaired | 52,185,440 | 52,558,814 | 513,853 | 418,938 |
| Past due but not impaired: | | | | |
| - 1 to 60 days past due | 9,123,939 | 15,739,041 | - | - |
| - 61 to 120 days past due | 2,779,437 | 5,012,815 | - | - |
| - more than 120 days past due | 16,173,557 | 7,113,271 | - | - |
| | 28,076,933 | 27,865,127 | - | - |
| Impaired | 2,136,260 | 2,154,903 | - | - |
| | 82,398,633 | 82,578,844 | 513,853 | 418,938 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

20 RECEIVABLES (CONTINUED)

The changes in provision for impairment of trade and other receivables during the financial year are as follows:

| | Group | |
|--|------------|------------|
| | 2016 RM | 2015 RM |
| Trade receivables | | |
| At 1 July 2015/2014 | 865,668 | 971,972 |
| Writeback to profit or loss | (9,858) | (24,702) |
| Charged to profit or loss | 39,201 | 19,716 |
| Bad debt written off | (47,986) | (101,318) |
| At 30 June | 847,025 | 865,668 |
| Other receivables | | |
| At beginning/end of the financial year | 1,289,235 | 1,289,235 |

21 AMOUNTS DUE FROM SUBSIDIARY COMPANIES

| | Company | |
|---|-------------|-------------|
| | 2016 RM | 2015 RM |
| Amounts due from subsidiary companies | 20,678,457 | 7,464,299 |
| Less: Provision of impairment of subsidiary companies | (3,783,172) | (3,781,944) |
| | 16,895,285 | 3,682,355 |

The balances due from subsidiary companies are unsecured, repayable on demand and interest free, except for advances of RM1,597,864 which bear interest at a rate of 4% per annum (2015: 4% per annum).

The changes in provision for impairment of subsidiary companies during the financial year are as follows:

| | Company | |
|---------------------------|------------|------------|
| | 2016 RM | 2015 RM |
| At 1 July 2015/2014 | 3,781,944 | 3,179,878 |
| Charged to profit or loss | 1,228 | 602,066 |
| At 30 June | 3,783,172 | 3,781,944 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

22 CASH AND CASH EQUIVALENTS

| | Group | | Company | |
|---|-------------|-------------|-------------|-------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Short-term deposits: | | | | |
| - with licensed banks | 78,916,787 | 88,046,126 | 77,729,808 | 81,860,117 |
| - with other financial institutions | 83,528,426 | 84,740,948 | 73,052,530 | 58,134,207 |
| | 162,445,213 | 172,787,074 | 150,782,338 | 139,994,324 |
| Cash and bank balances | 9,238,589 | 3,399,564 | 4,033,935 | 1,720,514 |
| | 171,683,802 | 176,186,638 | 154,816,273 | 141,714,838 |
| Less: Cash and bank balances in custodian accounts for investment purposes: | | | | |
| - short-term deposits with licensed banks | (1,800,257) | (1,452,950) | (925,036) | (757,161) |
| - bank balances | (673,511) | (2,623,113) | (357,130) | (1,327,363) |
| | (2,473,768) | (4,076,063) | (1,282,166) | (2,084,524) |
| Cash and cash equivalents | 169,210,034 | 172,110,575 | 153,534,107 | 139,630,314 |

The weighted average effective interest rates per annum of short-term deposits at the reporting date are as follows:

| | Group | | Company | |
|---------------------|-----------|-----------|-----------|-----------|
| | 2016 % | 2015 % | 2016 % | 2015 % |
| Short-term deposits | 3.92 | 3.75 | 3.95 | 3.83 |

Short-term deposits of the Group and of the Company have an average maturity of 73 days (2015: 57 days) and 71 days (2015: 57 days) respectively.

Cash and bank balances in custodian accounts for investment purposes are held by corporate trustees on behalf of the Group and the Company. These are primarily used for investment purposes and are excluded from cash and cash equivalents.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

23 SHARE CAPITAL

| | Group and Company | |
|---|-------------------|---------------|
| | 2016 RM | 2015 RM |
| Ordinary shares of RM1.00 each | | |
| Authorised | 1,500,000,000 | 1,500,000,000 |
| Issued and fully paid: | | |
| - Ordinary shares of RM1.00 each | | |
| At 1 July 2015/2014 | 162,680,800 | 160,128,000 |
| Exercise of options under Employee Share Option Scheme ("ESOS") | 845,000 | 2,552,800 |
| At 30 June | 163,525,800 | 162,680,800 |

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM162,680,800 to RM163,525,800 by way of issuance of 845,000 ordinary shares of RM1.00 each pursuant to the exercise of options under the Employee Share Option Scheme ("ESOS") at an exercise price of RM2.83 per share.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

(a) Employee Share Option Scheme ("ESOS")

The Company's Employee Share Option Scheme ("ESOS") was approved by the shareholders at the Extraordinary General Meeting held on 7 October 2013 and became effective on 26 February 2014, for a period of five years, expiring on 25 February 2019, in accordance with the ESOS By-Laws.

The main features of the ESOS are as follows:

- (i) the maximum number of ordinary shares to be issued under the ESOS shall not exceed 15% of total issued and paid-up share capital of the Company (excluding treasury shares, if any) at any point of time throughout the duration of the ESOS;
- (ii) the ESOS shall be effective for a period of 5 years commencing on 26 February 2014 and expiring on 25 February 2019;
- (iii) the ESOS is for eligible persons who, as at the date of offer:
 - (a) is at least eighteen (18) years of age and is a Malaysian Citizen and is not an undischarged bankrupt and not subject to any bankruptcy proceedings;
 - (b) is not at any time a participant of any other employee share scheme or share option scheme implemented by any corporation whether or not within the Group, which is in force for the time being;



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

23 SHARE CAPITAL (CONTINUED)

(a) Employee Share Option Scheme ("ESOS") (continued)

The main features of the ESOS are as follows: (continued)

(iii) the ESOS is for eligible persons who, as at the date of offer: (continued)

(c) is confirmed as an Executive Director or a full-time employee, of a company within the Group:

- (i) has served the Group for a continuous period of at least one (1) year, prior to and up to the date of offer, including service during the probation period (if any); or
- (ii) if serving under an employment contract of a fixed duration, such contract shall be for a term of at least three (3) years and such person shall have served the Group for a continuous period of at least one (1) year, prior to and up to the date of offer, including service during the probation period (if any); or
- (iii) falls within any other categories or criteria that the ESOS Committee may at its discretion and from time to time determine, for the purpose of selecting an eligible person to participate in the scheme.

(d) the options shall not be transferred, assigned, disposed or subject to any encumbrances in any manner whatsoever; and

(e) not more than seventy per cent (70%) of the new ordinary shares available under the ESOS shall be allocated, in aggregate, to the Executive Directors and senior management of the Group and not more than ten per cent (10%) of the new ordinary shares available under the ESOS shall be allocated to any individual eligible person who, either singly or collectively through persons connected with the eligible person, holds twenty per cent (20%) or more in the issued and paid-up share capital of the Company.

The vesting of the option is conditional upon the employees remaining in employment as at the relevant vesting dates at the end of each year from the date of grant of the ESOS.

Set out below are details of options over ordinary shares of the Group granted under the ESOS:

| Grant date | Expiry date | Exercise price RM/ share | Number of options over ordinary shares of RM1.00 each | | | |
|---------------|------------------|--------------------------------|--|-----------|-----------|-----------------|
| | | | At 1.7.2015 | Forfeited | Exercised | At 30.6.2016 |
| 21 March 2014 | 25 February 2019 | 2.83 | 4,309,200 | (62,000) | (845,000) | 3,402,200 |

Out of the 3,402,200 outstanding options (2015: 4,309,200 options), 1,175,800 options (2015: 615,000 options) were exercisable. The related weighted average share price at the time of exercise was RM3.46 per share.

Subsequent to the financial year, the Company increased its issued and paid-up ordinary share capital from RM163,525,800 to RM163,539,800 by way of issuance of 14,000 ordinary shares of RM1.00 each pursuant to the exercise of options under the Employee Share Option Scheme ("ESOS") at an exercise price of RM2.83 per share.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

24 SHARE PREMIUM

| | Group and Company | |
|--|-------------------|------------|
| | 2016 RM | 2015 RM |
| At 1 July 2015/2014 | 6,369,236 | - |
| Arising from exercise of employee share option scheme ("ESOS") | 2,108,275 | 6,369,236 |
| At 30 June | 8,477,511 | 6,369,236 |

During the financial year, the Company increased its share premium account to RM8,477,511 by way of issuance of 845,000 ordinary shares of RM1.00 each pursuant to the exercise of the Company's Employee Share Option Scheme ("ESOS") by certain employees at an exercise price of RM2.83 per share.

Subsequent to the financial year, the Company increased its share premium account to RM8,512,441 by way of issuance of 14,000 ordinary shares of RM1.00 each pursuant to the exercise of the Company's Employee Share Option Scheme ("ESOS") by certain employees at an exercise price of RM2.83 per share.

25 RETAINED EARNINGS

There is no restriction on the Group and the Company to declare the payment of dividends out of its retained earnings under the single-tier system.

26 PAYABLES

| | Group | | Company | |
|-----------------------------|------------|------------|------------|------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Trade payables | 36,727,106 | 30,701,859 | - | - |
| Other payables and accruals | 6,002,138 | 4,909,586 | 1,496,911 | 511,556 |
| GST payables | 142,001 | - | - | - |
| | 42,871,245 | 35,611,445 | 1,496,911 | 511,556 |

27 CAPITAL COMMITMENTS

| | Group | | Company | |
|---|------------|------------|------------|------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Authorised and contracted: | | | | |
| Commitments for the purchase of property, plant and equipment | 8,160,724 | 108,620 | 8,160,724 | - |



NOTES TO THE FINANCIAL STATEMENTS

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28 SIGNIFICANT RELATED PARTY DISCLOSURES

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

The Group is controlled by Dr. Chiu Hong Keong by way of his deemed interest through his shareholding in Pintaras Bina Sdn. Bhd. and his direct interest in Pintaras Jaya Berhad.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions described below were carried out on terms and conditions negotiated between the Group and the related party.

| | 2016 RM | Company 2015 RM |
|---|------------|-----------------------|
| (a) Significant transactions with related parties | | |
| (ii) Plant and machinery rental income from a subsidiary company: | | |
| Pintaras Geotechnics Sdn. Bhd. | 28,817,500 | 42,195,335 |
| (ii) Gross dividend income from subsidiary companies: | | |
| Pintaras Geotechnics Sdn. Bhd. | 8,000,000 | 32,000,000 |
| Pintaras Prima Sdn. Bhd. | 4,930,000 | 11,475,000 |
| | 12,930,000 | 43,475,000 |
| (iii) Interest charged to subsidiary company: | | |
| SMPP Development Sdn. Bhd. | 70,160 | 3,054 |
| (iv) Advance to subsidiary companies: | | |
| SMPP Development Sdn. Bhd. | 924,000 | 728,100 |
| E-Wall Sdn. Bhd. | 290,000 | - |
| Pintaras Geotechnics Sdn. Bhd. | 750,000 | 10,260,000 |
| (v) Repayment of advance from subsidiary companies: | | |
| Pintaras Geotechnics Sdn. Bhd. | - | 10,260,000 |
| E-Wall Sdn. Bhd. | 290,000 | - |
| SMPP Development Sdn. Bhd. | 350,525 | - |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

28 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

| | 2016 RM | Company 2015 RM |
|---|------------|-----------------------|
| (b) Significant balances with related parties | | |
| (i) Amounts due from subsidiary companies: | | |
| Pintaras Geotechnics Sdn. Bhd. | 15,292,182 | 2,947,534 |
| Solidprop Sdn. Bhd. | 2,572,792 | 2,571,564 |
| SMPP Development Sdn. Bhd. | 2,813,483 | 1,945,201 |
| | 20,678,457 | 7,464,299 |

The balances due from Solidprop Sdn. Bhd. have been provided in full as at the reporting date. The remaining provision of impairment as disclosed in Note 21 to the financial statements is in respect of balances due from SMPP Development Sdn. Bhd.

(c) Compensation of key management personnel

Key management personnel are the Directors, having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

The aggregate amount of remuneration received/receivable by key management personnel of the Group and the Company for the financial year is as disclosed in Note 9 to the financial statements.

29 FINANCIAL INSTRUMENTS BY CATEGORY

| | Loans and receivables at amortised cost RM | Available -for-sale RM | Total RM |
|--|---|------------------------------|--------------------|
| Group | | | |
| At 30 June 2016 | | | |
| Assets as per statement of financial position: | | | |
| Available-for-sale financial assets (Note 16) | - | 24,782,411 | 24,782,411 |
| Amounts due from customers on contracts (Note 18) | 4,209,978 | - | 4,209,978 |
| Receivables (excluding advance payments, deposits, prepayments and GST receivables) (Note 20) | 80,262,373 | - | 80,262,373 |
| Short-term deposits (Note 22) | 162,445,213 | - | 162,445,213 |
| Cash and bank balances (Note 22) | 9,238,589 | - | 9,238,589 |
| Total financial assets | 256,156,153 | 24,782,411 | 280,938,564 |



NOTES TO THE FINANCIAL STATEMENTS

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29 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

| | Other financial liabilities at amortised cost RM |
|---|--|
| Group | |
| At 30 June 2016 | |
| Liabilities as per statement of financial position: | |
| Trade payables (Note 26) | 36,727,106 |
| Other payables and accruals (Note 26) | 6,002,138 |
| Dividend payable | 13,082,064 |
| Total financial liabilities | 55,811,308 |

| | Loans and receivables at amortised cost RM | Available -for-sale RM | Total RM |
|---|---|------------------------------|--------------------|
| Group | | | |
| At 30 June 2015 | | | |
| Assets as per statement of financial position: | | | |
| Available-for-sale financial assets (Note 16) | - | 25,527,368 | 25,527,368 |
| Amounts due from customers on contracts (Note 18) | 827,368 | - | 827,368 |
| Receivables (excluding advance payments, deposits and prepayments) (Note 20) | 80,423,941 | - | 80,423,941 |
| Short-term deposits (Note 22) | 172,787,074 | - | 172,787,074 |
| Cash and bank balances (Note 22) | 3,399,564 | - | 3,399,564 |
| Total financial assets | 257,437,947 | 25,527,368 | 282,965,315 |

| | Other financial liabilities at amortised cost RM |
|---|--|
| At 30 June 2015 | |
| Liabilities as per statement of financial position: | |
| Trade payables (Note 26) | 30,701,859 |
| Other payables and accruals (Note 26) | 4,909,586 |
| Dividend payable | 11,387,656 |
| Total financial liabilities | 46,999,101 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

29 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

| | Loans and receivables at amortised cost RM | Available -for-sale RM | Total RM |
|--|---|------------------------------|--------------------|
| Company | | | |
| At 30 June 2016 | | | |
| Assets as per statement of financial position: | | | |
| Available-for-sale financial assets (Note 16) | - | 13,726,432 | 13,726,432 |
| Receivables (excluding advance payments, deposits, prepayments and GST receivables) (Note 20) | 513,853 | - | 513,853 |
| Amounts due from subsidiary companies (Note 21) | 16,895,285 | - | 16,895,285 |
| Short-term deposits (Note 22) | 150,782,338 | - | 150,782,338 |
| Cash and bank balances (Note 22) | 4,033,935 | - | 4,033,935 |
| Total financial assets | 172,225,411 | 13,726,432 | 185,951,843 |

| | Other financial liabilities at amortised cost RM |
|---|--|
| At 30 June 2016 | |
| Liabilities as per statement of financial position: | |
| Other payables and accruals (Note 26) | 1,496,911 |
| Dividend payable | 13,082,064 |
| Total financial liabilities | 14,578,975 |

| | Loans and receivables at amortised cost RM | Available -for-sale RM | Total RM |
|---|---|------------------------------|--------------------|
| Company | | | |
| At 30 June 2015 | | | |
| Assets as per statement of financial position: | | | |
| Available-for-sale financial assets (Note 16) | - | 14,158,372 | 14,158,372 |
| Receivables (excluding advance payments, deposits and prepayments) (Note 20) | 418,938 | - | 418,938 |
| Amounts due from subsidiary companies (Note 21) | 3,682,355 | - | 3,682,355 |
| Dividend receivable | 17,100,000 | - | 17,100,000 |
| Short-term deposits (Note 22) | 139,994,324 | - | 139,994,324 |
| Cash and bank balances (Note 22) | 1,720,514 | - | 1,720,514 |
| Total financial assets | 162,916,131 | 14,158,372 | 177,074,503 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

29 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

| | Other financial liabilities at amortised cost RM |
|---|--|
| Company | |
| At 30 June 2015 | |
| Liabilities as per statement of financial position: | |
| Other payables and accruals (Note 26) | 511,556 |
| Dividend payable | 11,387,656 |
| Total financial liabilities | 11,899,212 |

30 SEGMENTAL INFORMATION

The Group's operations comprise the following business segments:

- (i) Piling, civil engineering and construction works; and
- (ii) Manufacturing*

- (a) Business segments

| | Piling, civil engineering and construction works RM | Manufacturing RM | Group RM |
|--|--|---------------------|-------------|
| 2016 | | | |
| Revenue | | | |
| Construction contracts | 103,082,953 | - | 103,082,953 |
| Sale of goods | - | 33,790,640 | 33,790,640 |
| Total revenue | | | 136,873,593 |
| Results | | | |
| Segment results | 10,656,088 | 5,235,072 | 15,891,160 |
| Unallocated income: | | | |
| - gain on disposals of available-for-sale financial assets | | | 1,094,402 |
| - interest income | | | 5,042,343 |
| - dividend income | | | 1,684,821 |
| - other | | | 132,498 |
| Total unallocated income | | | 7,954,064 |

* consists of manufacturing of metal containers



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

30 SEGMENTAL INFORMATION (CONTINUED)

(a) Business segments (continued)

| | Piling, civil engineering and construction works RM | Manufacturing RM | Group RM |
|---|--|---------------------|-------------|
| 2016 | | | |
| Results (continued) | | | |
| Unallocated costs: | | | |
| - share options granted to employees | | | (618,787) |
| - other | | | (186,193) |
| Total unallocated costs | | | (804,980) |
| Finance cost | | | (59) |
| Profit before taxation | | | 23,040,185 |
| Taxation | | | (5,254,591) |
| Profit for the financial year | | | 17,785,594 |
| Net assets | | | |
| Segment assets | 166,120,562 | 36,422,005 | 202,542,567 |
| Unallocated assets (including short-term deposits of RM162,445,213 and available-for-sale financial assets of RM24,782,411) | | | 201,460,580 |
| Total assets | | | 404,003,147 |
| Segment liabilities | 40,536,919 | 3,164,863 | 43,701,782 |
| Unallocated liabilities | | | 28,972,505 |
| Total liabilities | | | 72,674,287 |
| Other information | | | |
| Capital expenditure | 2,426,917 | 161,683 | 2,588,600 |
| Depreciation of property, plant and equipment | 15,423,434 | 775,571 | 16,199,005 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

30 SEGMENTAL INFORMATION (CONTINUED)

(a) Business segments (continued)

| | Piling, civil engineering and construction works RM | Manufacturing RM | Group RM |
|--|--|---------------------|--------------|
| 2015 | | | |
| Revenue | | | |
| Construction contracts | 205,601,180 | - | 205,601,180 |
| Sale of goods | - | 37,398,259 | 37,398,259 |
| Total revenue | | | 242,999,439 |
| Results | | | |
| Segment results | 56,278,354 | 5,948,196 | 62,226,550 |
| Unallocated income: | | | |
| - gain on disposals of available-for-sale financial assets | | | 1,639,874 |
| - interest income | | | 4,291,867 |
| - dividend income | | | 1,555,606 |
| - other | | | 331,357 |
| Total unallocated income | | | 7,818,704 |
| Unallocated costs: | | | |
| - share options granted to employees | | | (1,170,824) |
| - impairment losses of available-for-sale | | | (89,603) |
| - other | | | (214,322) |
| Total unallocated costs | | | (1,474,749) |
| Finance cost | | | (514) |
| Profit before taxation | | | 68,569,991 |
| Taxation | | | (16,649,018) |
| Profit for the financial year | | | 51,920,973 |



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

30 SEGMENTAL INFORMATION (CONTINUED)

(a) Business segments (continued)

| | Piling, civil engineering and construction works RM | Manufacturing RM | Group RM |
|---|--|---------------------|-------------|
| 2015 | | | |
| Net assets | | | |
| Segment assets | 168,016,163 | 38,872,650 | 206,888,813 |
| Unallocated assets (including short-term deposits of RM172,787,074 and available-for-sale financial assets of RM25,527,368) | | | 206,933,584 |
| Total assets | | | 413,822,397 |
| Segment liabilities | 32,330,454 | 5,210,007 | 37,540,461 |
| Unallocated liabilities | | | 30,378,306 |
| Total liabilities | | | 67,918,767 |
| Other information | | | |
| Capital expenditure | 16,340,525 | 4,203,206 | 20,543,731 |
| Depreciation of property, plant and equipment | 16,592,481 | 776,473 | 17,368,954 |

Segment results comprised profit before tax, adjusted for unallocated income and cost and finance cost. Unallocated income includes interest income, dividend income and gain on disposal of available-for-sale financial assets. Unallocated costs represent impairment losses of available-for-sale financial assets, corporate expenses, property maintenance expenses and share options granted to employees. Unallocated assets include available-for-sale financial assets, short-term deposits and freehold land and buildings used for head office purposes. Unallocated liabilities include taxation, deferred taxation and dividend payable.

Capital expenditure comprises additions to property, plant and equipment (Note 13).

(b) Geographical information

Segmental reporting by geographical area is not presented as the Group's activities are entirely carried out in Malaysia.

(c) Major customers

Revenue of approximately RM61,396,089 (2015: RM164,179,315) is derived from the Group's top five customers. The revenue contributed by these top five customers individually range from RM9,000,000 to RM20,000,000 (2015: RM16,000,000 to RM62,800,000). This revenue is attributable to piling, civil engineering and construction works segment.

31 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 15 September 2016.



NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2016

32 SUPPLEMENTARY INFORMATION – BREAKDOWN OF RETAINED EARNINGS INTO REALISED AND UNREALISED

The breakdown of the retained earnings of the Group and the Company into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses on the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

| | Group | | Company | |
|--|--------------|--------------|--------------|--------------|
| | 2016 RM | 2015 RM | 2016 RM | 2015 RM |
| Total retained earnings of the Company and its subsidiaries: | | | | |
| - realised | 155,202,007 | 172,625,343 | 80,156,734 | 85,799,215 |
| - unrealised | (10,112,262) | (14,381,117) | (11,842,937) | (13,995,325) |
| | 145,089,745 | 158,244,226 | 68,313,797 | 71,803,890 |
| Add: Consolidation adjustments | 8,464,115 | 8,511,662 | - | - |
| Retained earning as per consolidated financial statements | 153,553,860 | 166,755,888 | 68,313,797 | 71,803,890 |

The disclosure of realised and unrealised profits/(losses) above is solely for compliance with the directive issued by Bursa Malaysia Securities Berhad and should not be used for any other purpose.



STATEMENT BY DIRECTORS

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

We, Dr Chiu Hong Keong and Khoo Keow Pin, being two of the Directors of Pintaras Jaya Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 28 to 84 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2016 and of the results and cash flows of the Group and of the Company for the financial year ended on that date in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The supplementary information set out in Note 32 have been prepared in accordance with the Guidance of 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.

Signed on behalf of the Board of Directors in accordance with their resolution dated 15 September 2016.

DR CHIU HONG KEONG
CHAIRMAN

KHOO KEOW PIN
DIRECTOR

STATUTORY DECLARATION

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

I, Khoo Yok Kee, being the Director primarily responsible for the financial management of Pintaras Jaya Berhad, do solemnly and sincerely declare that the financial statements set out on pages 28 to 84 and supplementary disclosure set out on page 85 are, in my opinion, 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.

KHOO YOK KEE

Subscribed and solemnly declared by the abovenamed Khoo Yok Kee at Petaling Jaya in Malaysia on 15 September 2016, before me.

S.AROKIADASS

NO. B. 390
COMMISSIONER FOR OATHS
Petaling Jaya



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PINTARAS JAYA BERHAD

(Incorporated in Malaysia)
(Company No. 189900-H)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Pintaras Jaya Berhad on pages 28 to 84 which comprise the statements of financial position of the Group and of the Company as at 30 June 2016, 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 notes, as set out in Notes 1 to 31.

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 30 June 2016 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (c) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PINTARAS JAYA BERHAD (CONTINUED)

(Incorporated in Malaysia)
(Company No. 189900-H)

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 32 on page 85 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

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

PRICEWATERHOUSECOOPERS

(No. AF: 1146)
Chartered Accountants

HEW CHOOI YOKE

(No. 3203/07/17 (J))
Chartered Accountant

Kuala Lumpur
15 September 2016



ANALYSIS OF SHAREHOLDINGS

AS AT 1ST SEPTEMBER 2016

| | | |
|----------------------------------|---|-------------------------------|
| Authorised Share Capital | : | RM1,500,000,000 |
| Issued and Paid-up Share Capital | : | RM163,539,800 |
| Class of Share | : | Ordinary share of RM1.00 each |
| Voting Rights | : | 1 vote per ordinary share |
| Number of Shareholders | : | 2,671 |

SUBSTANTIAL SHAREHOLDERS

The following are the substantial shareholders of the Company according to the Register of Substantial Shareholders :

| Name of Shareholders | Direct Interest | | Indirect Interest | |
|-----------------------|-----------------|-------|---------------------------|-------|
| | No. of Shares | % | No. of Shares | % |
| Pintaras Bina Sdn Bhd | 59,768,116 | 36.55 | - | - |
| Dr. Chiu Hong Keong | 23,715,720 | 14.50 | 71,518,376 ⁽¹⁾ | 43.73 |
| Khoo Yok Kee | 11,101,760 | 6.79 | 84,132,336 ⁽²⁾ | 51.44 |
| Khoo Keow Pin | 10,513,304 | 6.43 | - | - |

Notes:-

- (1) Deemed interest through his shareholding in Pintaras Bina Sdn Bhd and interest held by his spouse, Mdm. Khoo Yok Kee, and his son, Mr. Chiu Wei Wen, in Pintaras Jaya Berhad
- (2) Deemed interest through her shareholding in Pintaras Bina Sdn Bhd and interest held by her spouse, Dr. Chiu Hong Keong, and her son, Mr. Chiu Wei Wen, in Pintaras Jaya Berhad

DIRECTORS' INTERESTS

Directors' Direct and Indirect Interests in the shares and options over unissued shares in the Company based on the Register of Directors' Shareholdings maintained under Section 134 of the Companies Act, 1965 (the "Act") of the Company :

(A) Issued Ordinary Shares

| Name of Directors | Direct Interest | | Indirect Interest | |
|------------------------|-----------------|-------|---------------------------|-------|
| | No. of Shares | % | No. of Shares | % |
| Dr Chiu Hong Keong | 23,715,720 | 14.50 | 71,518,376 ⁽¹⁾ | 43.73 |
| Khoo Keow Pin | 10,513,304 | 6.43 | - | - |
| Khoo Yok Kee | 11,101,760 | 6.79 | 84,132,336 ⁽²⁾ | 51.44 |
| Chiu Wei Wen | 648,500 | 0.40 | - | - |
| Kong Kim Piew | - | - | - | - |
| Chang Cheng Wah | - | - | - | - |
| Arnold Kwan Poon Keong | - | - | - | - |

Notes:-

- (1) Deemed interest through his shareholding in Pintaras Bina Sdn Bhd and interest held by his spouse, Mdm. Khoo Yok Kee, and his son, Mr. Chiu Wei Wen, in Pintaras Jaya Berhad
- (2) Deemed interest through her shareholding in Pintaras Bina Sdn Bhd and interest held by her spouse, Dr. Chiu Hong Keong, and her son, Mr. Chiu Wei Wen, in Pintaras Jaya Berhad

(B) Unissued Ordinary Shares

| Name of Directors | Number of Unissued Ordinary Shares of RM1 each pursuant to the Employee Share Option Scheme | | | |
|--------------------|---|---------|-----------|---------------------|
| | Granted on 21 March 2014 | Granted | Exercised | At 1 September 2016 |
| Dr Chiu Hong Keong | 1,500,000 | - | 900,000 | 600,000 |
| Khoo Keow Pin | 1,200,000 | - | 480,000 | 720,000 |
| Khoo Yok Kee | 1,000,000 | - | 600,000 | 400,000 |
| Chiu Wei Wen | 750,000 | - | 450,000 | 300,000 |



ANALYSIS OF SHAREHOLDINGS

AS AT 1ST SEPTEMBER 2016

DISTRIBUTION OF SHAREHOLDINGS

| Size of Shareholdings | No. of Shareholders | % | No. of Shares | % |
|--|---------------------|--------|---------------|--------|
| Less than 100 | 33 | 1.24 | 1,120 | 0.00 |
| 100 to 1,000 | 464 | 17.37 | 357,700 | 0.22 |
| 1,001 to 10,000 | 1,593 | 59.64 | 7,452,600 | 4.56 |
| 10,001 to 100,000 | 498 | 18.64 | 14,710,480 | 8.99 |
| 100,001 to less than 5% of issued shares | 79 | 2.96 | 35,995,000 | 22.01 |
| 5% and above of issued shares | 4 | 0.15 | 105,022,900 | 64.22 |
| | 2,671 | 100.00 | 163,539,800 | 100.00 |



ANALYSIS OF SHAREHOLDINGS

AS AT 1ST SEPTEMBER 2016

THIRTY LARGEST SHAREHOLDERS (as shown in the Record of Depositors)

| | Name of Shareholders | No. of Shares | % |
|----|---|--------------------|--------------|
| 1 | Pintaras Bina Sdn Bhd | 59,768,116 | 36.55 |
| 2 | Chiu Hong Keong | 23,715,720 | 14.50 |
| 3 | Khoo Yok Kee | 11,025,760 | 6.74 |
| 4 | Khoo Keow Pin | 10,513,304 | 6.43 |
| 5 | Lembaga Tabung Haji | 5,797,900 | 3.55 |
| 6 | Citigroup Nominees (Tempatan) Sdn Bhd (Employees Provident Fund Board (AM INV)) | 1,948,800 | 1.19 |
| 7 | Soo Jian Yeu | 1,340,000 | 0.82 |
| 8 | Citigroup Nominees (Tempatan) Sdn Bhd (Employees Provident Fund Board (Nomura)) | 1,284,200 | 0.79 |
| 9 | DB (Malaysia) Nominee (Tempatan) Sendirian Berhad (Deutsche Trustees Malaysia Berhad for Eastspring Investmentsdana Al-Ilham) | 1,187,800 | 0.73 |
| 10 | Amanahraya Trustees Berhad (Amittikal) | 1,181,800 | 0.72 |
| 11 | HSBC Nominees (Tempatan) Sdn Bhd (HSBC (M) Trustee Bhd for CIMB Islamic Dali Equity Theme Fund) | 1,174,400 | 0.72 |
| 12 | DB (Malaysia) Nominee (Tempatan) Sendirian Berhad (Deutsche Trustees Malaysia Berhad for Eastspring Investmentssmall-Cap Fund) | 1,113,500 | 0.68 |
| 13 | Tan Jin Tuan | 1,008,000 | 0.62 |
| 14 | Neoh Choo Ee & Company, Sdn. Berhad | 956,400 | 0.58 |
| 15 | Maybank Nominees (Tempatan) Sdn Bhd (National Trust Fund (IFM CIMBPRIN)) | 889,500 | 0.54 |
| 16 | HSBC Nominees (Tempatan) Sdn Bhd (HSBC (M) Trustee Bhd for Singular Value Fund) | 734,300 | 0.45 |
| 17 | Fong Ting Wong | 680,000 | 0.42 |
| 18 | Chiu Wei Wen | 648,500 | 0.40 |
| 19 | Citigroup Nominees (Tempatan) Sdn Bhd (Kumpulan Wang Persaraan (Diperbadankan) (Nomura)) | 619,700 | 0.38 |
| 20 | Maybank Nominees (Tempatam) Sdn Bhd (Pledged securities account for Chong Khong Shoong) | 600,000 | 0.37 |
| 21 | Wong Lok Jee @ Ong Lok Jee | 600,000 | 0.37 |
| 22 | Dynaquest Sdn. Berhad | 581,600 | 0.36 |
| 23 | Tan Chin Nam Sendirian Berhad | 569,100 | 0.35 |
| 24 | Lim Pui Ngan | 546,000 | 0.33 |
| 25 | HSBC Nominees (Tempatan) Sdn Bhd (HSBC (M) Trustee Bhd for Singular Asia Flexible Fund)(5758-401)) | 545,400 | 0.33 |
| 26 | Sow Tiap | 540,000 | 0.33 |
| 27 | Yeo Khee Huat | 535,200 | 0.33 |
| 28 | Public Nominees (Tempatan) Sdn Bhd (Pledged securities account for Chong Khong Shoong (E-IMO/JSI)) | 500,000 | 0.31 |
| 29 | Chong Ik Poh | 460,000 | 0.28 |
| 30 | Lim Pui Ying | 428,000 | 0.26 |
| | TOTAL | 131,493,000 | 80.43 |



LIST OF PROPERTIES

AS AT 30TH JUNE 2016

| Location | Tenure | Description / Existing Use | Age Of Buildings (Years) | Approx. Area (Sq. m.) | Net Book Value at 30.06.2016 RM'000 | Date of Acquisition |
|---|----------|--|--------------------------|-----------------------|-------------------------------------|---------------------|
| H.S.(D) 80039 P.T. No. 14351 Mukim Damansara Daerah Petaling Negeri Selangor | Freehold | Land with Factory cum Office Premises | 24 | 19,984 | 10,168 | 20.12.1991 |
| Lot 46 Seksyen U1 Glenmarie Industrial Estate Mukim of Damansara District of Klang Selangor Darul Ehsan | Freehold | Land with Office Premises (Office Warehouse) | 19 | 4,251 | 4,459 | 05.08.1994 |
| Lot 6100 Mukim of Kapar District of Klang Selangor Darul Ehsan | Freehold | Industrial Land (Store and Casting Yard) | - | 40,494 | 4,134 | 16.03.1995 |
| H.S.(D) 248312 PTD 67291 Mukim of Tebrau Johor | Freehold | Land with Factory cum Office Premises | 1 | 2,417 | 2,544 | 28.03.1991 |
| H.S.(D) 248325 PTD 67304 Mukim of Tebrau Johor | Freehold | Hawker Centre (Vacant) | 18 | 1,354 | 146 | 28.03.1991 |
| No. 2-2 Arab-Malaysian Business Centre Jalan Tuanku Munawir 70000 Seremban Negeri Sembilan | Freehold | Business Complex Shop/Office (Vacant) | 18 | 105 | 126 | 17.05.1999 |
| 1-2-17 Block Ixora 1 Jalan S2 G3 Garden Avenue Seremban 2 70300 Seremban Negeri Sembilan | Freehold | Apartment (Vacant) | 14 | 74 | 50 | 08.10.2001 |
| 1-2-19 Block Ixora 1 Jalan S2 G3 Garden Avenue Seremban 2 70300 Seremban Negeri Sembilan | Freehold | Apartment (Vacant) | 14 | 74 | 50 | 08.10.2001 |
| 2-2-05 Block Ixora 2 Jalan S2 G3 Garden Avenue Seremban 2 70300 Seremban Negeri Sembilan | Freehold | Apartment (Vacant) | 14 | 74 | 50 | 24.12.2001 |
| PT69171 Lot 11 Bandar Bukit Raja Klang | Freehold | Industrial Land (For Future Development) | - | 11,744 | 5,849 | 20.07.2014 |



PINTARAS JAYA BERHAD (189900-H)
(Incorporated in Malaysia)

PROXY FORM

*I/We
(Full Name in Capital Letters)

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

being a member(s) of PINTARAS JAYA BERHAD hereby appoint
NRIC No.
(Full name in Capital Letters)

of
(Address)

*and/or failing him/her or # the Chairman of the Meeting,
(Full name in Capital Letters)

NRIC No.
of
(Address)

of as *my/our proxy to vote for *me/us on *my/our behalf at the Twenty-Seventh Annual General Meeting of Pintaras Jaya Berhad to be held at Topas Room, The Saujana Hotel Kuala Lumpur, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Tuesday, 18th October 2016 at 9:30 a.m. and at any adjournment thereof.

The proportion of *my/our holding to be represented by *my/our proxies (maximum 2 only) are as follows :-
(The next paragraph should be completed only when two proxies are appointed)

*First Proxy (1) %

Number of shares held :

*Second Proxy (2) %

| No. | Resolutions | FOR | AGAINST |
|--------------------------|---|-----|---------|
| ORDINARY BUSINESS | | | |
| 1. | To approve the payment of a final single-tier dividend of 12 sen per share. | | |
| 2. | To approve the payment of Directors' fees. | | |
| 3. | To re-elect Dr. Chiu Hong Keong as Director. | | |
| 4. | To re-elect Mr. Chiu Wei Wen as Director. | | |
| 5. | To re-elect Mr. Arnold Kwan Poon Keong as Director. | | |
| 6. | To re-appoint Messrs PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration. | | |
| SPECIAL BUSINESS | | | |
| 7. | To retain Mr. Kong Kim Piew as an Independent Non-Executive Director. | | |
| 8. | To retain Mr. Chang Cheng Wah as an Independent Non-Executive Director. | | |
| 9. | Authority to issue shares. | | |
| 10. | Proposed Renewal of Share Buy-Back Authority. | | |

Please indicate with (X) 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 2016

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

**Delete where inapplicable*

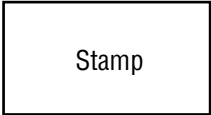
If you wish to appoint other person(s) to be your proxy/proxies, kindly delete the words "The Chairman of the Meeting" and insert the name(s) of the person(s) desired.

Notes :-

- (1) A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- (2) To be valid, this form, duly completed must be deposited at the Registered Office at No. 8, Jalan Majistret U1/26, HICOM-Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the meeting.
- (3) A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that the provisions of Section 149(1) (c) of the Companies Act, 1965 are complied with.
- (4) Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), 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.
- (5) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- (6) Where a member appoints more than one (1) proxy the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- (7) If the appointor is a corporation, this form must be executed under its Common Seal or under the hand of its attorney.
- (8) A depositor shall not be regarded as a member entitled to attend this general meeting and to speak and vote thereat unless his/her name appears in the Register of Members and/or Record of Depositors as at 12 October 2016 issued by Bursa Malaysia Depository Sdn Bhd ("Bursa Depository") upon request by the Company in accordance with the rules of the Bursa Depository.

FOLD THIS FLAP FOR SEALING

FOLD HERE



PINTARAS JAYA BERHAD (189900-H)
NO. 8 JALAN MAJISTRET U1/26
HICOM-GLENMARIE INDUSTRIAL PARK
40150 SHAH ALAM
SELANGOR DARUL EHSAN

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