WARISAN TC HOLDINGS BERHAD
(424834-W)

ANNUAL REPORT 2015

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FINANCIAL STATEMENTS

CORPORATE INFORMATION

DIRECTORS

Dato' Tan Heng Chew
President

Tan Keng Meng
Chief Executive Officer

Datin Low Suet Moi
Senior Vice President - Mayflower Travel Group

Datuk Abdullah bin Abdul Wahab
Senior Independent Non-Executive Director

Dato' Seow Thiam Fatt
Independent Non-Executive Director

Dato' Chong Kwong Chin
Independent Non-Executive Director

AUDIT COMMITTEE

Dato' Chong Kwong Chin
Chairman

Dato' Seow Thiam Fatt

Datuk Abdullah bin Abdul Wahab

NOMINATING COMMITTEE

Datuk Abdullah bin Abdul Wahab
Chairman

Dato' Seow Thiam Fatt

Dato' Chong Kwong Chin

COMPANY SECRETARIES

Ang Lay Bee

Chang Pie Hoon

REGISTERED OFFICE

62-68 Jalan Sultan Azlan Shah
51200 Kuala Lumpur
Telephone : 03-4047 8888
Facsimile : 03-4047 8636

CORPORATE OFFICE

3rd Floor, No 15, Jalan Ipoh Kecil
50350 Kuala Lumpur
Telephone : 03-4047 9733
Facsimile : 03-4047 9722
Email : corporate@warisantc.com
Website : www.warisantc.com

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No.8, Jalan Kerinchi
59200 Kuala Lumpur
Telephone : 03-2783 9299
Facsimile : 03-2783 9222
Email : is.enquiry@my.tricorglobal.com

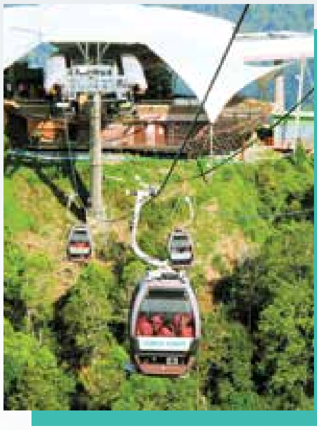
AUDITORS

Mazars
Wisma Selangor Dredging
11th Floor, South Block
142-A, Jalan Ampang
50450 Kuala Lumpur

STOCK EXCHANGE LISTING

Main Market of
Bursa Malaysia Securities Berhad
(Listed on 15 December 1999)

BUSINESS DIVISIONS



TRAVEL & CAR RENTAL

- Inbound tour
- Outbound tour
- Corporate travel
- Airline ticketing
- Car and coach rental

MACHINERY

- Material handling equipment, forklift, factory scrubber and sweeper
- Construction equipment (road, earthwork, quarry and mining)
- Agricultural tractor, golf & turf equipment
- Engine & generator
- Air compressor

AUTOMOTIVE

- Light commercial truck
- Heavy commercial truck
- Pickup Truck

OTHERS

- Cosmetics
- Hair care
- Lingerie
- Used vehicle auction

CORPORATE STRUCTURE

WARISAN TC HOLDINGS BERHAD
(424834-W)

TRAVEL & CAR RENTAL

- 100% Mayflower Car Rental Sdn Bhd *(Formerly known as Mayflower Acme Tours Sdn Bhd)*
- 100% Mayflower Holidays Sdn Bhd
- 100% Mayflower Holidays (Borneo) Sdn Bhd
- 100% Mayflower Corporate Travel Services Sdn Bhd
- 100% MAT Tours And Travel (Cambodia) Pte Ltd
- 100% Mayflower-My 2nd Home (MM2H) Sdn Bhd

MACHINERY

- 100% TCIM Sdn Bhd
- 100% Jentrakel Sdn Bhd
- 100% TC Machinery Vietnam Pte Ltd

AUTOMOTIVE

- 100% Angka-Tan Motor Sdn Bhd
- 70% Kereta Komersil Seladang (M) Sdn Bhd

OTHERS

- 100% Warisan Captive Incorporated
- 100% Grooming Expert Sdn Bhd
- 100% Tung Pao Sdn Bhd
- 100% Tan Chong Apparels Manufacturer Sdn Bhd
- 50% Wacoal Malaysia Sdn Bhd
- 50% Shiseido Malaysia Sdn Bhd
- 100% Warisan TC Management Services Sdn Bhd
- 100% MUV Marketplace Sdn Bhd
- 100% Comit Communication Technologies (M) Sdn Bhd

Note : Inactive and dormant companies are excluded from the corporate structure.

PRESIDENT'S STATEMENT

"On behalf of the Board, I am pleased to present the Annual Report of Warisan TC Holdings Berhad for the financial year ended 31 December 2015."

Malaysia went through a particularly choppy year in 2015, which saw oil price continued its slide from a high of about USD110 per barrel in mid-2014, sliding down more than 60% to USD37 per barrel as at the end of 2015. The plunge in oil price has wide ranging consequences on Malaysia's economy, resulting in the Ringgit coming under severe pressure against all major currencies. From an exchange of RM 3.20 to the US dollar in June 2014, the Ringgit fell in tandem with oil price to breach the RM4.40 mark against the US dollar in September 2015. The Ringgit ended 2015 at approximately RM4.30 against the US dollar. The fall in the value of Ringgit against major currencies has consequently driven costs higher as the cost of finished goods, raw materials, components and parts imported from overseas escalates.

The further tightening of lending conditions coupled with poor consumer sentiments weighed on the domestic market. With the introduction of the Goods and Services Tax on 1 April 2015, domestic spending was further dampened as consumers adjust to higher costs of living. All in all, WTCH Group operated in a very difficult environment in 2015 as we were assailed by multiple external challenges which impacted our business growth and profitability.

Amidst such adverse operating environment, the Group focused its efforts on improving operating processes to enhance efficiency, productivity and service level to customers. This has helped to offset the increase in operating costs and at the same time strengthened our customer service and relations.

PRESIDENT'S STATEMENT
cont'd

Group Performance

Group revenue decreased to RM445.9 million from RM459.3 million in prior year, representing a decrease of 2.9%. The lower revenue was mainly due to the decrease in revenue contributions from the Travel and Car Rental division and Machinery division.

However, profit before tax increased to RM3.9 million from RM3.5 million in prior year, primarily due to cost savings arising from cost rationalisation initiatives undertaken by the Group. The profit included the fair value gain of RM1.3 million (2014: RM1.9 million) on the valuation of our investment property. Profit after tax decreased to RM0.8 million from RM1.4 million registered in prior year. This was due to a higher effective tax rate as deferred tax assets have not been recognised for certain loss making subsidiaries.

Dividends

The Board recommends a final single tier dividend of 4.5 sen per share for the financial year ended 31 December 2015 for the approval of shareholders at the forthcoming Annual General Meeting. Combined with the interim single tier dividend of 2.5 sen per share paid on 30 September 2015, the total dividends per share for the year is 7.0 sen.

Outlook

We envisage 2016 to continue to be a challenging year for the Group in view of the economic challenges faced by the country. On 28th January 2016, the Government announced a recalibrated 2016 Budget as a result of the global economic reality impacted by the slump in oil prices and slower growth of economic power blocks namely, the United States and China. Under the recalibrated budget, the Government narrowed its GDP growth forecast to 4-4.5% from 4-5% previously.

Both retail and corporate consumers are expected to be more cautious in their spending and this will have a ripple effect across all our businesses. Nonetheless, we believe there are still pockets of opportunities to tap in certain areas. These include various major infrastructure projects throughout the country such as the Mass Rapid Transit and Light Rail Transit, the Pan-Borneo Highway, the Malaysian Vision Valley, Cyber City Centre, the Refinery and Petrochemical Integrated Development project in Pengerang and the High-Speed Rail, which are not affected by the Government's development expenditure cut.

To weather the difficult operating environment, the Group will adopt a two-pronged strategy of intensifying its sales and marketing initiatives in certain targeted market segments, while at the same time continuing on productivity improvement initiatives to lower its operating costs.

Appreciation

On behalf of the Board, I would like to thank Mr Ngu Ew Look who retired as Chief Executive Officer on 1 October 2015. We are grateful to Mr Ngu for his invaluable contributions to the Group and wish him all the best in his future endeavours. At the same time, we are pleased to welcome Mr Tan Keng Meng and Datin Low Suet Moi as Chief Executive Officer and Executive Director, respectively with effect from 1 October 2015.

I would also like to express my sincere thanks to our customers, business associates and shareholders for their continued support. Finally, a special thanks to the management, staff and my fellow Board members for their dedication and invaluable contributions throughout the year.

Dato' Tan Heng Chew *JP, DJMK*
President
8 April 2016

MANAGEMENT DISCUSSION AND ANALYSIS

The Group's operating business segments are broadly categorised as follows: Travel and Car Rental, Machinery, Automotive and Others.

Travel & Car Rental

REVIEW OF FINANCIAL RESULTS

The Travel and Car Rental operations registered a revenue of RM192.5 million in 2015 compared RM205.9 million registered in 2014. The decline in revenue was primarily due to lower contributions from the Car Rental business unit, partially offset by better performance from the Corporate Incentive subdivision. Notwithstanding the decline in overall sales by the Travel & Car Rental division, the segment profit increased from RM49.7 million to RM52.0 million due to lower costs incurred during the year.

The Car Rental subdivision saw fewer rental vehicles disposed compared to prior year, which resulted in lower revenue and gain on disposal of vehicles. The Inbound Travel subdivision also saw a major decline in tourist arrivals into Malaysia compared to prior year. Total tourist arrivals into Malaysia dropped to 25.7 million from 27.4 million recorded in 2014. However, the impact of lower contribution from the Inbound Travel segment was partially cushioned by higher Corporate Incentive sales. The increase in Corporate Incentive sales was a significant achievement when juxtaposed against the travel spending cuts and the election to fly on low cost carriers by companies as part of their cost cutting measures.

Despite the challenging operating environment in 2015, the Travel and Car Rental division remained focused on enhancing its customer service levels in order to maintain its market leadership. In this regard, the Travel business unit won many notable industry awards during the year including the following:

- Malaysia Airlines – MAS Platinum Award 2014
- Korean Air – Top Agents Award 2014
- Emirates – Sales Performance Award 2014 - 2015
- Qatar Airways – Top 10 Travel Agencies 2014
- Singapore Airlines – Top Agents Award 2014/2015
- Air Asia – Sales Achievement Award 2014/2015
- Gullivers Travel Associates – Top Supporting Agent 2014
- Thai Airways – Top Agents Award 2014
- Cathay Pacific Airways – Top Agents Award 2014
- Firefly – 8 Best Travel Management Company 2014
- Vietnam Airlines – Top Supporting Agent 2015
- Air Astana – Top Agents Award 2015

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

We believe the levers for the growth of the Travel and Car Rental division are technology and market expansion. In this connection, the division has continued to improve its various software applications and internet platforms to enhance operational efficiency as well as their B2B and B2C user experience. During the year, the Travel business unit also commenced operations in Phnom Penh, Cambodia in line with its plan to expand its footprint in the region.

The Car Rental subdivision has also continued on its fleet renewal initiative with 892 vehicles purchased and 399 disposed during the year. This is aimed at ensuring the safety and reliability our vehicles as well maintaining our reputation of having one of the youngest car rental fleet in Malaysia. This has also enabled the business unit to negotiate better deals in purchasing vehicles and minimise its repairs and maintenance costs, thus lowering its overall operating costs.

Apart from car rental services, the Car Rental subdivision also offers a range of modern vehicles from luxury sedans, multi-purpose vehicles, vans to large executive coaches to provide one-stop bespoke transportation solutions to organisations according to customer requirements including company outings, tailor-made itineraries, sightseeing tours, events and transfers. Over the years, the unique green batik motifs adorning the sides of our coaches have become synonymous with the safety and reliability of our vehicles and Mayflower's high standards of service and hospitality. We continue to be the transportation solutions provider of choice to many organisations and for many events including those of international stature in recognition of our ability to meet the exacting standards they demand.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

Machinery

2015 continued to be a challenging year for the Machinery division. The machinery market in Malaysia generally slowed down impacted by an overall lower GDP growth. The market slowdown coupled with volatility of the Ringgit weighed on the overall business of the division and its revenue declined slightly to RM200.2 million from RM203.5 million registered in prior year. Notwithstanding the lower revenue, we have been able to increase our market shares in some of our key products such as the Sumitomo excavators and the SDLG wheel loaders. SDLG has continued to maintain the highest market share in the Malaysian wheel loaders market for four consecutive years, an accomplishment which we are proud of. Similarly, we have also maintained SAKAI's market leadership in the roller compactor space since 2013.

Segment profit increased to RM14.6 million from RM13.7 million in prior year due to lower expenses incurred arising from continuing cost rationalisation initiatives undertaken.

During the year the division added a new line of products to its portfolio namely the Tonly range of off-road trucks. This is another significant milestone for the division as Tonly is the leader in the off-road trucks market segment in China. These off-road trucks complement our range of heavy machinery well and we are already seeing traction in the demand particularly, in the mining and quarrying industry.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

Automotive

The Automotive division recorded a slight increase in revenue to RM41.8 million from RM40.8 million in 2014. The division's segment loss declined from RM4.1 million in 2014 to RM2.4 million in 2015 as a result of the cost rationalisation initiatives carried out during the year.

The improvement in the results of our Automotive division was achieved despite the decline in the industry volume of commercial vehicles in Malaysia for two consecutive years. The industry volume of commercial vehicles declined from 79,136 units in 2013 to 78,139 units in 2014, and declined further to 75,376 units in 2015.

During 2015, the division undertook an internal reorganisation to re-align with the strategy of focusing on the corporate segment, particularly in certain industries. As a result, the division was able to secure fleet deals with several corporate customers with the potential of further sales in the near future. As part of the internal reorganisation, greater focus was also placed on its after sales, focusing on improving customer satisfaction, confidence and trust.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

Others

Businesses classified under "Others" division include consumer products, auction services, captive insurance services and property investment. Segment revenue increased from RM9.2 million in 2014 to RM11.4 million. Segment profit however declined to RM2.6 million from RM3.0 million in 2014. The main revenue contributor for this division in 2015 was the car auction services provided by MUV Marketplace Sdn Bhd, accounting approximately 40% of the segment revenue. Revenue from car auction related services rose in tandem with the almost threefold increase in the volume of cars successfully auctioned compared to 2014. Unlike other auction houses, the car auctions are facilitated through a real time e-bidding system, which is a first in the country. Cars auctioned through our e-bidding platform undergo a thorough inspection to determine its quality ratings, which in turn provide a basis for bidders to determine the price to bid. All the relevant information on the car is available online and bidders effectively can bid for it without attending the auction by following a pre-bidding process. In essence, we have created a market place to facilitate trading of used cars which is more transparent and efficient compared to what buyers and sellers were accustomed to in the past. The growing number of cars put to auction by car distributors, car rental companies and other fleet owners through our e-bidding platform is testament of these advantages.

The joint venture companies namely, Shiseido Malaysia Sdn Bhd ("Shiseido Malaysia") and Wacoal Malaysia Sdn Bhd ("Wacoal Malaysia"), are also categorised under the "Others" segment. Their revenues are not consolidated with the Group revenue as the joint ventures are accounted for using equity method of accounting. As for the Group's share of net profit in the joint venture companies, the quantum declined to RM1.8 million from RM2.2 million in prior year.

2015 was a challenging year for Wacoal Malaysia as the retail market in Malaysia was impacted by the introduction of the Goods and Services Tax as well as the sharp decline in the Ringgit, which resulted in higher cost of imported goods. Nevertheless, through marketing and promotion activities, Wacoal Malaysia was able to maintain its market share and its sales turnover was only affected marginally.

As for Shiseido Malaysia, notwithstanding the challenging consumer market in 2015, the company registered an increase in sales turnover helped by an improvement in the sales of its Prestige range in particular, NARS. During the year, NARS opened two new free standing stores in Klang Valley. July saw the opening of the Mid Valley Megamall outlet and in November NARS made a grand opening of its flagship store in KLCC. To resonate with the spirit of the NARS Steven Klein collection, a chamber orchestra performed songs hand-selected by the famed photographer himself as guests viewed Steven Klein-inspired makeup looks showcased on models.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

PROSPECTS

Travel & Car Rental

The Travel subdivision foresees that corporates will continue to cut travel spend in 2016, in particular those in the oil and gas and financial sectors. However, the subdivision will continue to build on the momentum it has gained in the Corporate Incentive space in recent years. We believe we have built a reputation for providing customised and go-the-extra-mile service to our customers, making their corporate incentive trips and events even more memorable. In addition, the subdivision will continue to pursue its plan to establish a wider footprint in this region. Having set up shop in Cambodia in 2015, efforts will be stepped up to further penetrate both the Inbound and Outbound markets for Cambodia. We will also continue to pursue opportunities to establish our presence in other countries in the region with the aim of transforming ourselves to be a premier regional destination management company.

With the changing automotive landscape arising from the ubiquity of digital and mobile technologies, the Car Rental subdivision is also transforming the way it operates. Technology will drive all key aspects of the business. In 2015 the subdivision implemented a new car rental system to further enhance operational efficiency and effectiveness. This system will be fully exploited in 2016 to generate robust data analytics to drive further improvements in our fleet management. In March 2016, the Group also invested in a new subsidiary namely GoCar Mobility Sdn Bhd ("GoCar"), a startup that allows members to rent cars by the hour or day, through a self service website or mobile app. Through this investment, the Car Rental subdivision will be able to tap into new technologies that GoCar has in its arsenal, to reach out to new markets, and offer new mobility solutions to our corporate and retail customers.

Machinery

The Machinery division faces a challenging year ahead. The volatility of the Ringgit poses a risk due to the import nature of the business. While the exchange rate risk can be mitigated through currency hedging, many corporations are either cutting or deferring their spending on machinery and equipment. Nevertheless, the Government's commitment to proceed with various major infrastructure projects augurs well for the division. As a leading distributor of a wide range of machinery and equipment from excavators to tractors, wheel loaders, dump trucks, compactors, forklifts, generators, et-cetra, we are confident that we will be able to take advantage of some of these opportunities.

Our SDLG wheel loaders and SAKAI compactors remain the market leaders in their respective market segments. Our Nissan forklifts (which have been re-branded as Unicarriers forklifts) are also making significant headway in increasing their market share. Similarly, we are expecting to see significant increase in the sale of Tonly dump trucks in 2016 given the favourable feedback we have received from our customers. In addition, greater level of attention will be given to improve the Parts and Services operations to help bolster the revenue and profitability of the division given the tough market conditions. This includes ensuring the availability of parts, expanding our spare parts dealer network, improving our customer service response time as well as the productivity of mechanics.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

Automotive

The Malaysian Automotive Association forecasts the industry volume for commercial vehicles to continue its downtrend, declining marginally by 1% in 2016 from 75,376 units in 2015. This is mainly due to the subdued global economic growth, tighter lending requirements by financial institutions and the persistent weak Ringgit which continue to impact business confidence and consumer sentiment. As such, we remain cautious on the prospect of the Automotive division in 2016.

Notwithstanding the lacklustre market forecast, the Automotive division will continue with the strategy of leveraging on the Group's extensive network to penetrate the corporate fleet market. Support to our dealer network as well as our after sales service will be further strengthened with the aim of building market confidence in our Bison marque and Auman marque commercial vehicles. Generally, Chinese commercial vehicles are beginning to gain wider market acceptance in Malaysia as more units are put into operation in recent years. We believe we are poised to benefit from this in the medium term given our wide dealer and after sales support network.

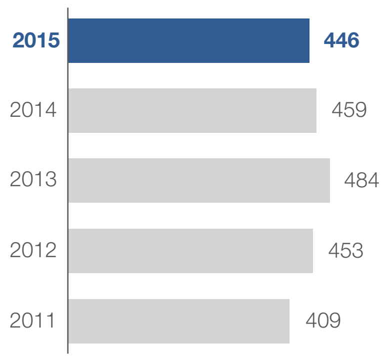
Others

We are cautiously optimistic that our Auction services will continue to register momentum in terms of transaction volume in 2016. As the pioneer e-bidding auction service provider for the used car market in Malaysia, we believe we have the first mover advantage having created and galvanised the entire ecosystem for the used car trade. From the logistics of moving and storing cars to inspection, valuation, auction, financing and insurance services, the entire process is handled seamlessly as a cohesive ecosystem. More will be done on the technology front in 2016 to deliver greater efficiency on processes and facilitate wider market outreach especially through mobile applications.

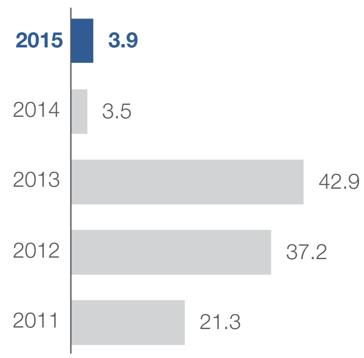
We envisage a challenging year ahead for Wacoal Malaysia and Shiseido Malaysia, as consumers will continue to be cautious in spending with the rising cost of living. Furthermore, consumer sentiment is currently low. According to a survey by the Malaysian Institute of Economic Research, the consumer sentiment index dipped to a new low of 63.8 points in Quarter 4 2015 from 70.2 points in Quarter 3 2015. In response to this less than inspiring market, we will adopt innovative sales and marketing strategies to enhance the attractiveness of the promotions and offerings to customers. All in all, notwithstanding the lacklustre retail market environment, we anticipate the performance of both Wacoal Malaysia and Shiseido Malaysia to remain satisfactory.

FINANCIAL CHARTS

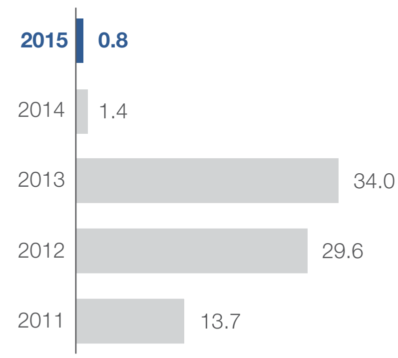
REVENUE
(RM Million)



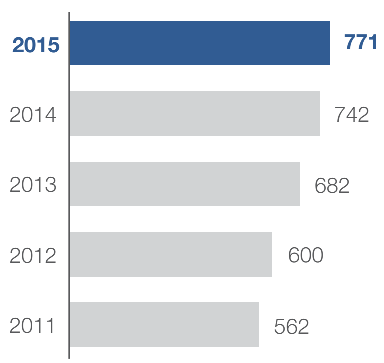
PROFIT BEFORE TAX
(RM Million)



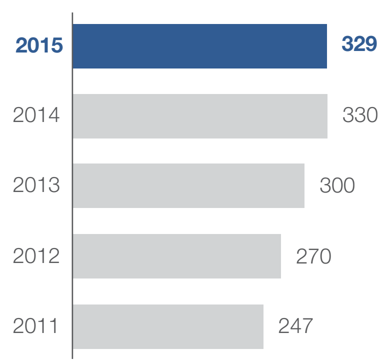
PROFIT AFTER TAX
(RM Million)



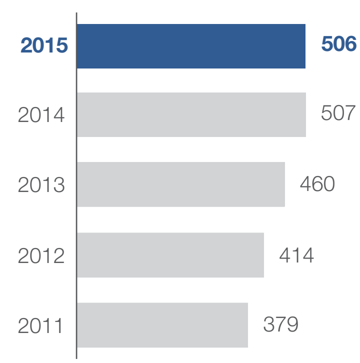
TOTAL ASSETS
(RM Million)



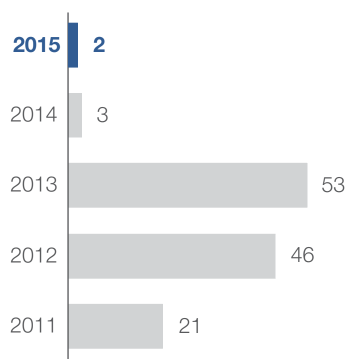
SHAREHOLDERS' FUND
(RM Million)



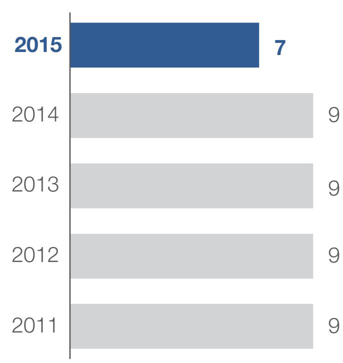
NET ASSETS PER SHARE
(Sen)



EARNINGS PER SHARE
(Sen)



NET DIVIDEND PER SHARE
(Sen)



Note: 2011 and 2012 numbers have been restated to incorporate the adoptions of new Standards, Amendments and Issue Committee Interpretations of the Malaysian Accounting Standards Board.

5-YEAR FINANCIAL HIGHLIGHTS

	2011 RM'000	2012 RM'000	2013 RM'000	2014 RM'000	2015 RM'000
RESULTS					
Revenue	408,832	453,199	483,662	459,304	**445,943**
Profit before tax	21,332	37,244	42,907	3,485	**3,938**
Tax expense	(7,603)	(7,597)	(8,904)	(2,078)	**(3,143)**
Profit after tax	13,729	29,647	34,003	1,407	**795**
Attributable to:					
Owners of the Company	13,700	29,651	34,221	1,784	**1,185**
Non-controlling interests	29	(4)	(218)	(377)	**(390)**
FINANCIAL POSITION					
Assets					
Property, plant and equipment	205,627	207,213	202,159	263,636	**274,482**
Investment property	22,700	33,100	42,600	44,500	**45,800**
Investments accounted for using the equity method	26,503	29,704	31,727	32,177	**33,473**
Other investments	10	10	10	10	**10**
Finance lease receivables	7,252	4,395	3,471	5,607	**2,364**
Deferred tax assets	520	548	734	1,328	**1,749**
Intangible assets	9,131	9,131	9,131	9,131	**9,131**
Total non-current assets	271,743	284,101	289,832	356,389	**367,009**
Currents assets	290,507	316,349	392,169	385,287	**403,783**
Total Assets	562,250	600,450	682,001	741,676	**770,792**
Equity					
Share capital	67,200	67,200	67,200	67,200	**67,200**
Share premium	615	615	615	615	**615**
Reserves	183,115	206,232	236,112	266,327	**266,111**
Treasury shares	(4,051)	(4,128)	(4,201)	(4,206)	**(4,209)**
Total equity attributable to owners of the Company	246,879	269,919	299,726	329,936	**329,717**
Non-controlling interests	404	400	182	(195)	**(585)**
Total equity	247,283	270,319	299,908	329,741	**329,132**
Non-current liabilities	105,497	80,294	62,225	80,413	**81,106**
Current liabilities	209,470	249,837	319,868	331,522	**360,554**
Total Equity and Liabilities	562,250	600,450	682,001	741,676	**770,792**
FINANCIAL STATISTICS					
Basic earnings per share (sen)	21.02	45.52	52.55	2.74	**1.82**
Net dividend per share (sen)	9.0	9.0	9.0	9.0	**7.0**
Net assets per share (sen)	379	414	460	507	**506**
Return on shareholders' equity (%)	5.6%	11.0%	11.3%	0.4%	**0.2%**
Net debt/equity (%)	50.6%	47.1%	51.9%	57.6%	**63.4%**
Gross Dividend History					
Interim	6.0%	6.0%	6.0%	4.5%	**2.5%**
Final	6.0%	6.0%	4.5%	4.5%	**4.5%**
Total	12.0%	12.0%	10.5%	9.0%	**7.0%**

Note: 2011 and 2012 numbers have been restated to incorporate the adoptions of new Standards, Amendments and Issue Committee Interpretations of the Malaysian Accounting Standards Board.

PROFILE OF DIRECTORS

DATO' TAN HENG CHEW *JP, DJMK*
President

Dato' Tan Heng Chew, aged 69, a Malaysian, was the first director of the Company when it was incorporated on 26 March 1997. He was appointed the Chairman of the Board on 1 November 1999 and was re-designated as Executive Chairman on 1 January 2011. His corporate title has been changed to President effective 1 January 2015.

Dato' Tan graduated from the University of New South Wales, Australia with a Bachelor of Engineering (Honours) degree and a Masters degree in Engineering from the University of Newcastle, Australia. He joined the Tan Chong Motor Holdings Berhad Group of companies in 1970 and was instrumental in the establishment of its Autoparts Division in the 1970s and early 1980s.

Dato' Tan is also the President of Tan Chong Motor Holdings Berhad and APM Automotive Holdings Berhad. He is also a director and shareholder of Tan Chong Consolidated Sdn Bhd, a major shareholder of the Company. Dato' Tan has abstained from deliberation and voting in respect of transactions between the Group and related parties involving himself.

Dato' Tan attended all the five (5) Board Meetings held in 2015.

TAN KENG MENG
Chief Executive Officer

Mr Tan Keng Meng, aged 57, a Malaysian, was appointed to the Board as Executive Director on 11 January 2012. His corporate title was changed to Executive Vice President on 1 January 2015. Mr Tan was subsequently re-designated as Chief Executive Officer on 1 October 2015.

Mr Tan graduated from the University of Malaya with a Bachelor of Engineering degree in 1982. Mr Tan joined TCIM Sdn Bhd ("TCIM"), a wholly-owned subsidiary of the Company on 15 April 2010 and was subsequently appointed as Executive Director of TCIM taking charge of industrial machinery business. He also heads the Automotive Division of the Group since October 2015.

Mr Tan also sits on the Board of Edaran Tan Chong Motor Sdn Bhd, a subsidiary of Tan Chong Motor Holdings Berhad on 28 December 2012. He has held senior management positions for more than 18 years with extensive Malaysian and international experience. Prior to joining the Group, he was the Group CEO/Director of Tasek Corporation Berhad, a public company listed on Bursa Malaysia Securities Berhad. He was previously Managing Director-Asia with Friction Material Pacific Group, a joint-venture company between Honeywell and Pacifica of Australia. Mr Tan has extensive experience in a number of industries covering construction, automotive and automotive component manufacturing. He has abstained from deliberation and voting in respect of transactions between the Group and related parties involving himself.

Mr Tan attended all the five (5) Board Meetings held in 2015.

PROFILE OF DIRECTORS
cont'd

DATIN LOW SUET MOI
Senior Vice President - Mayflower Travel Group

Datin Low Suet Moi, aged 47, a Malaysian, was appointed to the Board as Executive Director with the corporate title of Senior Vice President - Mayflower Travel Group.

Datin Low is currently taking charge of Mayflower Travel Group business. She is also the current National Honorary Treasurer and Chairman of Finance Committee of Malaysia Association of Tour and Travel Agents (MATTA) for terms 2013-2015 and 2015-2017. Prior to this, she was the Head of Internal Audit of Tan Chong Motor Holdings Berhad and Warisan. She started her career as an external auditor in Ernst & Young before joining the internal audit profession with a total of more than 24 years of experience in both external and internal auditing.

Datin Low is the Former President of The Institute of Internal Auditors (IIA) Malaysia. She holds a MBA from The University of Hull, UK. She obtained her Certified Internal Auditor (CIA) in 2001 and Certified Information Systems Auditor (CISA) in 2006. In addition to these qualifications, she is a Certified Fraud Examiner and also obtained a Certification in Risk Management Assurance from IIA Global.

Datin Low was the Chairman of the Research and Technical Advisory Committee of IIA Malaysia for 2010 and 2011. She was the Honorary Treasurer of the Asian Confederation of Institutes of Internal Auditors (ACIIA), EXCO and the Co-Chairperson of the Task Force on Revised Guidance on Statement of Internal Controls 2011/2012 for Malaysian public listed companies.

Datin Low attended one (1) Board Meeting held since her appointment to the Board during the financial year 2015.

DATO' CHONG KWONG CHIN *JP, DIMP*
Independent Non-Executive Director

Dato' Chong Kwong Chin, aged 63, a Malaysian, was appointed to the Board on 3 March 2008. He is an Independent Non-Executive Director, the Chairman of the Audit Committee and a member of Nominating Committee.

Dato' Chong is a Member of the Malaysian Institute of Accountants, Fellow Member of the Association of Chartered Certified Accountants, Associate Member of the Institute of Chartered Secretaries and Administrators (UK), a Member of the Institute of Certified Public Accountants Singapore, a Member of the Institute of Management (UK) and a Fellow of CPA Australia. Dato' Chong has been in public practice since 1979 when he started his own accounting firm, Eddy KC Chong & Co. The firm merged with Tet O. Chong & Co in 1990 and is now practising under the name of Ismail Chong & Associate. He had retired as senior partner of Moore Stephens and Executive Chairman of Baker Tilly AC on 3 September 2013. Dato' Chong is now the Senior Executive Director of SOGO Group of Companies.

Dato' Chong attended all the five (5) Board Meetings held in 2015.

PROFILE OF DIRECTORS
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DATO' SEOW THIAM FATT *DIMP*
Independent Non-Executive Director

Dato' Seow Thiam Fatt, also known as Dato' Larry Seow, aged 75, a Malaysian, was appointed to the Board on 26 July 2002. He is an Independent Non-Executive Director and a member of the Audit Committee and Nominating Committee.

Dato' Seow is a Fellow of CPA Australia, Fellow of the Institute of Chartered Secretaries and Administrators and past Fellow of the Institute of Chartered Accountants in Australia. He is also a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants ("MICPA"). He is a past President of MICPA and also served four (4) years as a government appointed Independent Director of the previous Kuala Lumpur Commodities Exchange (KLCE). He is a past Council Member of The Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and is currently the Chairman of its Audit Committee.

He has more than 20 years' professional experience as a former Partner in the accounting firms of Larry Seow & Co., Moores & Rowland and Arthur Young. He diverted from professional practice in 1994 and thereafter held various senior positions in the private and public sectors, including his position as General Manager of the Financial Reporting Surveillance and Compliance Department of the Securities Commission of Malaysia.

Dato' Seow is also an Independent Non-Executive Director of Tan Chong Motor Holdings Berhad and AmMetLife Insurance Berhad and the Independent Non-Executive Chairman of Sersol Berhad. He was an Independent Non-Executive Director of Affin Investment Bank Berhad from April 2004 to September 2011 and a past Independent Non-Executive Director of ING Insurance Berhad and ING Funds Berhad. He has abstained from deliberation and voting in respect of transactions between the Group and related parties involving himself.

Dato' Seow attended all the five (5) Board Meetings held in 2015.

DATUK ABDULLAH BIN ABDUL WAHAB
KMN, DPSJ, PJN
Senior Independent Non-Executive Director

Datuk Abdullah bin Abdul Wahab, aged 65, a Malaysian, was appointed to the Board on 3 March 2008 as an Independent Non-Executive Director and was re-designated as Senior Independent Non-Executive Director on 23 January 2013. He is the Chairman of Nominating Committee and a member of the Audit Committee.

Datuk Abdullah graduated from the Universiti Sains Malaysia (USM) with a Bachelor of Social Science (Honours) degree in 1976. He was an Administrative Officer at the School of Pharmacy, USM Penang from 1976 to 1980. He started his career at The Parliament of Malaysia as Assistant Secretary in 1980 and subsequently assumed all aspects of administrative functions at The Parliament. In 1999, he was appointed as Secretary to the Senate, and in 2004, he was elevated as Secretary to The Parliament and Secretary to the Dewan Rakyat. He retired from the civil service in 2006.

Datuk Abdullah attended all the five (5) Board Meetings held in 2015.

Except for Dato' Tan Heng Chew, none of the other Directors have any family relationship with any Director and/or major shareholder of the Company.

None of the Directors had convictions for any offence within the past ten (10) years. Except as disclosed above, none of the Directors have any conflict of interest in any business arrangement involving the Company.

CORPORATE GOVERNANCE STATEMENT

The Board of Warisan TC Holdings Bhd ("Company") recognises the importance of adopting high standards of corporate governance in the Company in order to safeguard stakeholders' interests as well as enhancing shareholders' value. The Directors consider corporate governance to be synonymous with four (4) key concepts, namely transparency, accountability, integrity as well as corporate performance.

As such, the Board seeks to embed in the Group a culture that aims to balance conformance requirements with the need to deliver long-term strategic success through performance, without compromising on personal or corporate ethics and integrity.

This corporate governance statement ("Statement") sets out how the Company has applied the 8 Principles of the Malaysian Code on Corporate Governance 2012 ("MCCG 2012") and observed the 26 Recommendations supporting the Principles during the financial year. Where a specific Recommendation of the MCCG 2012 has not been observed during the financial year under review, the non-observation, including the reasons thereof and, where appropriate, the alternative practice, if any, is mentioned in this Statement.

PRINCIPLE 1 - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES OF THE BOARD AND MANAGEMENT

The Board recognises the key role it plays in charting the strategic direction of the Company and has assumed the following principal responsibilities in discharging its fiduciary and leadership functions:

- reviewing and adopting a strategic plan for the Company, addressing the sustainability of the Group's business;
- overseeing the conduct of the Group's business and evaluating whether or not its businesses are being properly managed;
- identifying principal business risks faced by the Group and ensuring the implementation of appropriate internal controls and mitigating measures to address such risks;
- ensuring that all candidates appointed to senior management positions are of sufficient calibre, including having in place a process to provide for the orderly succession of senior management personnel and members of the Board;
- overseeing the development and implementation of a shareholder communications policy; and
- reviewing the adequacy and integrity of the Group's internal control and management information systems.

To assist in the discharge of its stewardship role, the Board has established Board Committees, namely the Audit Committee and Nominating Committee, to examine specific issues within their respective terms of reference as approved by the Board and report to the Board with their recommendations. The ultimate responsibility for decision making, however, lies with the Board.

I Board Charter

To enhance accountability, the Board has established clear functions reserved for the Board and those delegated to Management. There is a formal schedule of matters reserved to the Board for its deliberation and decision to ensure the direction and control of the Company are in its hands.

Key matters reserved for the Board include, inter-alia, the approval of annual budgets, quarterly and annual financial statements for announcement, investment and divestiture, as well as monitoring of the Group's financial and operating performance. Such delineation of roles is clearly set out in the Board Charter, which serves as a reference point for Board activities. The Board Charter provides guidance for Directors and Management regarding the responsibilities of the Board, its Committees and Management, the requirements of Directors in carrying out their stewardship role and in discharging their duties towards the Company as well as boardroom activities. The salient features of the Board Charter are publicly available on the Company's website at *www.warisantc.com* in line with Recommendation 1.7 of the MCCG 2012.

CORPORATE GOVERNANCE STATEMENT
cont'd

II Code of Ethics

The Board has formalised a Directors' Code of Ethics setting out the standards of conduct expected from Directors. The Directors' Code of Ethics is contained in the Board Charter which is published on the Company's website at *www.warisantc.com*. To inculcate good ethical conduct, the Group has established a Code of Conduct for employees, which has been communicated to all levels of employees in the Group.

The Board has also formalised a Special Complaint Policy, which is equivalent to a whistle-blowing policy, with the aim to provide an avenue for raising concerns related to possible breach of business conduct, non-compliance of laws and regulatory requirements as well as other malpractices.

III Sustainability of Business

The Board is mindful of the importance of business sustainability and, in conducting the Group's business, the impact on the environmental, social and governance aspects is taken into consideration. The Group also embraces sustainability in its operations and supply chain, through its own actions as well as in partnership with its stakeholders, including suppliers, customers and other organisations.

The Group's activities on corporate social responsibilities for the financial year under review are disclosed on pages 35 to 36 of this Annual Report.

IV Access to Information and Advice

Directors are supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters for decisions to be made on an informed basis and effective discharge of the Board's responsibilities.

Procedures have been established for timely dissemination of Board and Board Committee papers to all Directors at least seven (7) days prior to the Board and Board Committee meetings, to facilitate decision making by the Board and to deal with matters arising from such meetings. Senior Management of the Group and external advisers are invited to attend Board meetings to provide additional insights and professional views, advice and explanations on specific items on the meeting agenda. Besides direct access to Management, Directors may obtain independent professional advice at the Company's expense, if considered necessary, in accordance with established procedures set out in the Board Charter in furtherance of their duties.

Directors have unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively. The Board is regularly updated and advised by the Company Secretaries who are qualified, experienced and competent on statutory and regulatory requirements, and the resultant implications of any changes therein to the Company and Directors in relation to their duties and responsibilities.

PRINCIPLE 2 - STRENGTHEN COMPOSITION OF THE BOARD

The Board consists of six (6) members, comprising three (3) Executive Directors and three (3) Independent Non-Executive Directors. This composition fulfills the requirements as set out under the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), which stipulate that at least two (2) Directors or one-third of the Board, whichever is higher, must be Independent. The profile of each Director is set out on pages 16 to 18 of this Annual Report. The Directors, with their diverse backgrounds and specialisations, collectively bring with them a wide range of experience and expertise in areas such as engineering; finance; accounting and audit; and marketing and operations.

I *Nominating Committee – Selection and Assessment of Directors*

The Board has established a Nominating Committee as it recognises the importance of the roles the Committee plays not only in the selection and assessment of Directors but also in other aspects of corporate governance which the Committee can assist the Board to discharge its fiduciary and leadership functions. The Nominating Committee comprises the following members:

- Datuk Abdullah bin Abdul Wahab (Chairman and Senior Independent Non-Executive Director);
- Dato' Seow Thiam Fatt (Independent Non-Executive Director); and
- Dato' Chong Kwong Chin (Independent Non-Executive Director).

The Board has stipulated specific terms of reference for the Nominating Committee, which cover, inter-alia, assessing and recommending to the Board the candidature of Directors, appointment of Directors to Board Committees and training programmes for the Board. The terms of reference require the Nominating Committee to review annually the required mix of skills and experience of Directors; succession plans and board diversity, including gender diversity; training courses for Directors and other qualities of the Board, including core-competencies which the Independent Non-Executive Directors should bring to the Board. The Committee is also entrusted to assess annually the effectiveness of the Board as a whole, the Committees of the Board and contribution of each individual Director. Insofar as board diversity is concerned, the Board does not have a specific policy on setting targets for women candidates nor policy on diversity in ethnicity and age. The evaluation of the suitability of candidates is based on the candidates' competency, character, time commitment, integrity and experience in meeting the needs of the Company, including, where appropriate, the ability of the candidates to act as Independent Non-Executive Directors, as the case may be.

The Nominating Committee shall meet at least once a year or more frequently as deemed necessary by the Chairman. During the financial year under review, the Nominating Committee held two (2) meetings whereby the Nominating Committee considered the annual performance assessment of Board, Board Committees and Individual Directors in respect of financial year ended 31 December 2014 as well as recommendation on the re-designation of an Executive Director to Chief Executive Officer and appointment of new Director/Executive Director of the Company. All members attended the meetings. In September 2015, the Board approved the re-designation of the Executive Director and the appointment of new Director/Executive Director based on the Nominating Committee's recommendations.

On 27 January 2016, the Nominating Committee met to review and assess the effectiveness of the Board as a whole, the Board Committee and the performance of individual Directors as well as the independence of the Independent Non-Executive Directors in respect of the financial year ended 31 December 2015 based on the self and peer assessment approach. In assessing the Individual Directors' performance, the Nominating Committee considered, inter-alia, the contribution, performance, competency, personality, integrity and time commitment of each Director to effectively discharge his/her role as a Director of the Company. From the results of the assessment, including the mix of skills and experience possessed by the Directors, and based on the Nominating Committee's recommendation, the Board recommended the re-election and re-appointment of Directors at the Company's forthcoming Annual General Meeting. The Nominating Committee also assessed the training needs of the Directors to enhance their competencies and ensure that they are kept abreast of all regulatory changes and developments in the business environment.

CORPORATE GOVERNANCE STATEMENT

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II Directors' Remuneration

The Board is of the view that the existing remuneration guidelines formulated by drawing upon the wealth of experience of all the Directors on the Board would be more effective and therefore, a Remuneration Committee is currently not required. The Board, as a whole, determines and recommends the remuneration of Independent Non-Executive Directors and Executive Directors. The aggregate Directors' fee shall not exceed RM250,000 per annum as approved by shareholders at the 4th Annual General Meeting of the Company in 2001. The Non-Executive Directors and Executive Directors abstained themselves from discussions on their individual remuneration.

The remuneration policy of the Group essentially seeks to attract, retain and motivate employees of all levels, including Executive Directors, to contribute positively towards the Group's performance.

The quantum of annual performance bonus and increment for the employees of the Group is dependent on the operating results of the Group after taking into account the prevailing business conditions and the individual's performance. The same guidelines apply to the Executive Directors.

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

	***Executive Directors (RM)**	**Non-Executive Directors (RM)**
Directors' fee	-	165,600.00
Salaries & allowances	2,209,798.46	47,000.00
Bonus	343,390.00	-
Benefits in kind	75,233.61	-
Total	2,628,422.07	212,600.00

Range of remuneration	**Executive**	**Non-Executive**
RM50,001 to RM100,000	-	3
RM550,001 to RM600,000	1	-
RM600,001 to RM650,000	1	-
RM1,350,001 to RM1,400,000	1	-
Total	3	3

* *The Chief Executive Officer, Mr Tan Keng Meng, received his remuneration from TC Management Services Corporation Sdn Bhd, a corporation which provided management services to the Company.*

PRINCIPLE 3 – REINFORCE INDEPENDENCE OF THE BOARD

The Company is led by an experienced Board with a diverse background in business and financial experience, and skills which are vital for the continued progress and success of the Group.

The President, who is also the Chairman of the Board, is primarily responsible for setting the Group's strategic direction and leading the Board in the oversight of management. The role of day-to-day management of the Group's business development and operations and implementation of policies and decisions of the Board is helmed by the Chief Executive Officer and the Senior Vice President - Mayflower Travel Group. The Board believes that such division of power and responsibilities helps to ensure that no one person in the Board has unfettered powers to make major decisions for the Company unilaterally.

CORPORATE GOVERNANCE STATEMENT
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While the position of the Chairman is not held by an Independent Non-Executive Director, the Board has three (3) Independent Non-Executive Directors, constituting fifty percent (50%) of the composition of the Board. The Board acknowledges the importance of balance of power and authority of the Board and has identified Datuk Abdullah bin Abdul Wahab as the Company's Senior Independent Non-Executive Director, to whom concerns may be conveyed by fellow Directors, shareholders and other stakeholders.

The Chairman is responsible for ensuring the adequacy and effectiveness of the Board's governance process and acts as a facilitator at Board meetings to ensure that contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates discussion.

The Independent Non-Executive Directors bring to bear objective and independent views, advice and judgment on interests, not only of the Group, but also of shareholders, employees, customers, suppliers and the communities in which the Group conducts its business. Independent Non-Executive Directors are essential for protecting the interests of shareholders and can make significant contributions to the Company's decision making by bringing in the quality of detached impartiality.

The Nominating Committee assesses the independence of its Independent Non-Executive Directors based on criteria set out in the Listing Requirements of Bursa Malaysia. The Board Charter provides a limit of a cumulative term of nine (9) years on the tenure of an Independent Non-Executive Director and thereafter he may be re-designated as a Non-Independent Non-Executive Director. In the event the Board intends to retain the Director as an Independent Non-Executive Director after the latter has served a cumulative term of nine (9) years, the Board must justify the decision and seek shareholders' approval at general meeting. In justifying the decision, the Nominating Committee is required to assess the candidate's suitability to continue as an Independent Non-Executive Director based on the criteria on independence adopted by the Board. In the assessment of Directors' independence for the financial year under review, the Nominating Committee concluded that all the Independent Non-Executive Directors have satisfied the independence criteria as set out in the Listing Requirements of Bursa Malaysia and each of them is able to provide independent judgement and act in the best interest of the Company.

Following an assessment and recommendation by the Nominating Committee, the Board recommended that Dato' Seow Thiam Fatt who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years as at the end of the financial year under review, be retained as an Independent Non-Executive Director, subject to shareholders' approval at the forthcoming Annual General Meeting of the Company. Key justifications for retaining him as an Independent Non-Executive Director are as follows:

- he fulfils the criteria under the definition on Independent Director as stated in the Listing Requirements of Bursa Malaysia, therefore, is able to bring independent and objective judgement to the Board;
- his experience in the relevant industries enable him to provide the Board and Audit Committee, as the case may be, with pertinent expertise, skills and competence;
- he has been with the Company long and therefore understands the Company's business operations which enable him to contribute actively and effectively during deliberations at Audit Committee and Board meetings; and
- he devotes sufficient time and exercise due care as an Independent Director of the Company and carries out his duty in the interest of the Company and shareholders.

PRINCIPLE 4 – FOSTER COMMITMENT OF DIRECTORS

The Board meets at least four (4) times a year, scheduled well in advance before the end of the preceding financial year to facilitate the Directors in planning their meeting schedule for the year. Additional meetings are convened when urgent and important decisions need to be made between scheduled meetings. Board and Board Committee papers, which are prepared by Management, provide the relevant facts and analysis for the convenience of Directors. The meeting agenda, the relevant reports and Board papers are furnished to Directors and Board Committee members at least seven (7) days before the meeting to allow the Directors sufficient time to peruse for effective discussion and decision making during meetings. At the quarterly Board meetings, the Board reviews the business performance of the Group and discusses major operational and financial issues. All pertinent issues discussed at Board meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretaries by way of minutes of meetings. During the financial year under review, the Board convened five (5) Board meetings attended by all the Directors.

CORPORATE GOVERNANCE STATEMENT
cont'd

As stipulated in the Board Charter, the Directors shall devote sufficient time and efforts to carry out their responsibilities. The Board shall obtain this commitment from Directors at the time of appointment. Each Director is expected to commit time as and when required to discharge the relevant duties and responsibilities, besides attending meetings of the Board or Board Committees.

Directors' Training – Continuing Education Programmes

The Board is mindful of the importance for its members to undergo continuous training to be apprised on changes to regulatory requirements and the impact of such regulatory requirements have on the Group. The Company Secretaries normally circulate the relevant circulars and guidelines on statutory and regulatory requirements from time to time for the Board's reference.

All Directors have completed the Mandatory Accreditation Programme as required by the Listing Requirements of Bursa Malaysia. During the financial year under review, all Directors attended seminars and training programmes. The continuous education programmes attended by the Directors during the financial year ended 31 December 2015 are as follows:

Name of Director	Details of Programme
Dato' Tan Heng Chew	• KPMG: Sustainability Reporting & New and Revised Auditor Reporting • Bursa Malaysia and The Iclif Leadership and Governance Centre: Board Chairman Series: "Tone From the Chair and Establishing Boundaries"
Tan Keng Meng	• Bursatra: Strengthening of the Board's Role in Setting a Right High Performance Culture • Bursa Malaysia: Sustainability Symposium
Datin Low Suet Moi	• Sanoresources: The Mindset Approach in Effective Work Performance • Sanoresources: The Mindset Approach in Effective Communication & Interpersonal Skills • KPMG: Sustainability Reporting & New and Revised Auditor Reporting
Dato' Seow Thiam Fatt	• Financial Institutions Directors' Education ("FIDE") Forum Group on Insurance • AmBank Group: Companies Bill • FIDE Forum Focus Group - Moving forward for the Insurance and Takaful Industries • Wong & Partners/KPMG: Trouble in Boardroom Seminar • Bursatra: Strengthening of the Board's Role in Setting a Right High Performance Culture • FIDE Forum - 2015 Non-Executive Directors' Remuneration Study • Audit Oversight Board - Conversation with Audit Committees • AmMetLife: Actuarial Training for Board of Directors • Bursa Malaysia and CG Board Asia Pacific: Audit Committee Risk Management & Internal Control Workshop Series - Is Our Line of Defence Adequate and Effective? • Bursa Malaysia and The Iclif Leadership and Governance Centre: Bursa Malaysia CG Breakfast Series with Directors - The Board's Response in light of Rising Shareholder Engagements • FIDE Forum - Board Leading Change: Organisational transformation strategy as key to sustainable growth in challenging times • KPMG: Sustainability Reporting & New and Revised Auditor Reporting • AmBank Group: Anti-money laundering compliance culture briefing • AmBank Group: Foreign Exchange Administration (FEA) Rules - Changes affecting FEA Rules

Name of Director	Details of Programme
Datuk Abdullah bin Abdul Wahab	• MICG: Governance, Director Duties and Regulatory Updates Seminar 2015 • Wong & Partners/KPMG: Trouble in the Boardroom? • Bursa Malaysia and CG Board Asia Pacific: Audit Committee Risk Management & Internal Control Workshop Series - Is Our Line of Defence Adequate and Effective? • KPMG: Sustainability Reporting & New and Revised Auditor Reporting • Bursa Malaysia CG Breakfast Series with Directors: Future of Auditor Reporting - The Game Changer for Boardroom • Bursatra: Cooking the Books - The Malaysian Recipe on Financial Fraud
Dato' Chong Kwong Chin	• Chartered Tax Institute of Malaysia: National Tax Conference 2015 • The Institute of Internal Auditors Malaysia: 2015 National Conference on Governance, Risk and Control • KPMG: Sustainability Reporting & New and Revised Auditor Reporting • MIA International Accountants Conference 2015

During the financial year, the Chief Financial Officer and External Auditors also briefed the Board members on any changes to the Malaysian Financial Reporting Standards that would affect the Group's financial statements. The Directors continue to undergo relevant training programmes to further enhance their skills and knowledge in the discharge of their stewardship role.

PRINCIPLE 5 – UPHOLD INTEGRITY IN FINANCIAL REPORTING BY THE COMPANY

It is the Board's commitment to present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of each reporting period and financial year, primarily through the quarterly announcement of Group's results to Bursa Malaysia, the annual financial statements of the Group and Company as well as the President's statement and review of the Group's operations in the Annual Report, where relevant.

The Board is responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Group and the Company as at the end of the reporting period and of their results and cash flows for the period then ended.

In assisting the Board to discharge its duties on financial reporting, the Board has established an Audit Committee, comprising wholly Independent Non-Executive Directors, with Dato' Chong Kwong Chin as the Committee Chairman. The composition of the Audit Committee, including its roles and responsibilities as well as a summary of its activities carried out in 2015 are set out in the Audit Committee Report on pages 28 to 31 of this Annual Report. One of the key responsibilities of the Audit Committee in its specific terms of reference is to ensure that the financial statements of the Group and Company comply with applicable financial reporting standards in Malaysia and provisions of the Companies Act, 1965, as the case may be. Such financial statements comprise the quarterly financial report announced to Bursa Malaysia and the annual statutory financial statements.

The Board understands its role in upholding the integrity of financial reporting by the Company. Accordingly, the Audit Committee, which assists the Board in overseeing the financial reporting process of the Company, has adopted a policy for the types of non-audit services permitted to be provided by the external auditors, including the need for obtaining the Audit Committee's approval for such services.

The Board through the Audit Committee maintains a transparent and professional relationship with the external auditors. The Audit Committee is responsible for the annual review and assessment on the suitability and independence of the external auditors for re-appointment. This annual review and assessment is carried out via assessment questionnaires. In assessing the external auditors' performance, the Audit Committee considered, inter-alia, the independence, objectivity, professionalism, quality of services, sufficiency of resources and communication and interaction with the external auditors.

CORPORATE GOVERNANCE STATEMENT

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Being satisfied with the external auditors' performance, technical competence and audit independence, the Audit Committee recommended the re-appointment of Mazars as external auditors for the financial year ending 31 December 2016. Based on the Audit Committee's recommendation, the Board recommended the re-appointment of the external auditors for approval by the shareholders at the forthcoming Annual General Meeting of the Company.

In assessing the independence of external auditors, the Audit Committee received a written assurance from the external auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants.

The external auditors had attended three (3) Audit Committee meetings and Annual General Meeting of the Company during the financial year under review. In addition, the Audit Committee also had two (2) separate sessions with the external auditors without the presence of executive Board members and management personnel to exchange independent views on matters which require the Audit Committee's attention.

PRINCIPLE 6 – RECOGNISE AND MANAGE RISKS OF THE GROUP

The Board has established an Enterprise Risk Management ("ERM") framework to identify and manage significant risks of the Group to address key risks to Group's operations and strategic mission. For the effective implementation of ERM, the Board has formed a Risk Management Committee which is headed by an Executive Director and comprising key management personnel from respective business divisions. The Risk Management Committee reports to the Board, via the Audit Committee, on key risks identified and the implementation of action plans to mitigate the risks.

In line with the MCCG 2012 and the Listing Requirements of Bursa Malaysia, the Company has in place a Systems & Internal Audit ("SIA") function, which reports directly to the Audit Committee on the effectiveness of the current system of internal controls from the perspectives of governance, risks and controls. All internal audits carried out are guided by internal auditing standards promulgated by the Institute of Internal Auditors Inc, a globally recognised professional body for internal auditors. The in-house SIA function is independent of the activities it audits and the scope of work covered by the SIA during the financial year under review is provided in the Audit Committee Report set out on pages 28 to 31 of this Annual Report.

PRINCIPLE 7 – ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

The Board is aware of the need to establish corporate disclosure policies and procedures to enable comprehensive, accurate and timely disclosures relating to the Company and its subsidiaries to be made to the regulators, shareholders and stakeholders. Accordingly, the Board has formalised the Corporate Disclosure Policies and Procedures to comply with the disclosure requirements as stipulated in the Listing Requirements of Bursa Malaysia and set out the persons authorised and responsible to approve and disclose material information to regulators, shareholders and stakeholders.

To augment the process of disclosure, the Company's website has a section on corporate governance where information on the Company's announcements to the Bursa Malaysia, the Board Charter, rights of shareholders and the Company's Annual Report may be accessed.

CORPORATE GOVERNANCE STATEMENT
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PRINCIPLE 8 – STRENGTHEN RELATIONSHIP BETWEEN THE COMPANY AND ITS SHAREHOLDERS

I Shareholder participation at general meeting

The Annual General Meeting ("AGM"), which is the principal forum for shareholder dialogue, allows shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification. At the AGM, shareholders participate in deliberating resolutions being proposed or on the Group's operations in general. At the last AGM, a question & answer session was held where the Chairman of the meeting invited shareholders to raise questions with responses from the Board and Senior Management.

The Notice of AGM is circulated at least twenty-one (21) days before the date of the meeting to enable shareholders to go through the Annual Report and papers supporting the resolutions proposed. All the resolutions set out in the Notice of the last AGM were put to vote by show of hands and duly passed. The outcome of the AGM was announced to Bursa Malaysia on the same meeting day.

II Communication and engagement with shareholders and investors

The Board recognises the importance of being transparent and accountable to the Company's investors. The Company will hold group and individual discussions with analysts, institutional shareholders, and investment communities, at their request, with the view to fostering greater understanding of the business of the Group. The various channels of communications are through the quarterly announcements on financial results to Bursa Malaysia, relevant announcements and circulars, when necessary, the Annual and Extraordinary General Meetings and through the Group's website at *www.warisantc.com* where shareholders can access corporate information, annual reports, press releases, financial information, and company announcements. To maintain a high level of transparency and to effectively address any issues or concerns, the Group has a dedicated electronic mail, i.e. *corporate@warisantc.com* to which stakeholders can direct their queries or concerns.

This Statement is dated 8 April 2016.

AUDIT COMMITTEE REPORT

COMPOSITION AND MEETINGS

The composition of the Audit Committee ("the Committee") and the attendance of its members at the five (5) meetings held in 2015 are set out below:

Name	Designation	Attendance
Dato' Chong Kwong Chin *Independent Non-Executive Director*	Chairman	5/5
Dato' Seow Thiam Fatt *Independent Non-Executive Director*	Member	5/5
Datuk Abdullah bin Abdul Wahab *Independent Non-Executive Director*	Member	5/5

TERMS OF REFERENCE

Membership

The Committee shall be appointed by the Board of Directors (the "Board") from amongst the Directors and shall comprise of no fewer than three (3) members. All the Committee members must be Non-Executive Directors, with a majority of them being Independent Directors.

The Committee shall include at least one (1) Director who is a member of the Malaysian Institute of Accountants or alternatively, a person who must have at least three (3) years working experience and have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967 or is a member of one (1) of the associations specified in Part II of the said Schedule; or fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("Bursa Malaysia").

No Alternate Director shall be appointed a member of the Committee.

The members of the Committee shall elect a Chairman from amongst their numbers who shall be an Independent Director.

In the event of any vacancy in the Committee which results in a breach in the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia, the vacancy must be filled within three (3) months.

The term of office and performance of the Committee and each of its members shall be reviewed by the Board at least once every three (3) years.

Authority

The Committee is authorised by the Board, and at the cost of the Company, to:

(1) investigate any matter within its Terms of Reference;

(2) have the resources which are required to perform its duties;

(3) have full and unrestricted access to any information pertaining to the Company or the Group;

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

(5) be able to obtain independent professional or other advice; and

(6) be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other Directors and employees, whenever deemed necessary.

AUDIT COMMITTEE REPORT
cont'd

Functions

The functions of the Committee shall be, amongst others, to:

(1) review the following and report the same to the Board:

(a) the nature and scope of the audit plan, the evaluation of the system of internal control and the audit report with the external auditors; the assistance given by the employees of the Company or Group to the external auditors;

(b) the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its works;

(c) the internal audit programmes, processes, the results of the internal audit programmes, processes or investigations undertaken and whether or not appropriate action is taken on the recommendation of the internal audit function;

(d) the quarterly results and year end financial statements, prior to approval by the Board, focusing on:

(i) changes in or implementation of major accounting policies and practices;

(ii) significant audit adjustments from the external auditors;

(iii) the going concern assumption; and

(iv) compliance with accounting standards established by professional bodies and other legal requirements;

(e) any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;

(2) consider the appointment of the external auditors, the audit fee and any questions of resignation or dismissal;

(3) assess, review and monitor the suitability and independence of external auditors, including obtaining written assurance from external auditors confirming they are, and have been, independent throughout the conduct of audit engagement in accordance with the terms of all relevant professional and regulatory requirements;

(4) approve any appointment or termination of senior staff members of the internal audit function and review any appraisal or assessment of the performance of its members;

(5) set policy on non-audit services which may be provided by the external auditors and conditions and procedures which must be adhered by the external auditors in the provision of such services;

(6) approval of non-audit services provided by external auditors;

(7) consider the major findings of internal investigations and management's response;

(8) review the risk management framework adopted within the Group and satisfy that the methodology employed allows identification, analysis, assessment, monitoring and communication of risks in a timely manner which result in minimising losses and maximising opportunities of the Group; and

(9) any other function as may be required by the Board from time to time.

AUDIT COMMITTEE REPORT
cont'd

Conduct of Meetings

The Chairman shall call for meetings to be held not less than four (4) times in a year. Any member of the Committee may at any time, and the Secretary(ies) shall on requisition of the member, summon a meeting.

Except in the case of an emergency, seven (7) days notice of meeting shall be given in writing to all members.

A quorum of meeting shall be a majority of Independent Directors. Meeting shall be chaired by the Chairman, and in his absence, by an Independent Director.

Decision shall be made by a majority of votes.

The Head of Finance, Head of Internal Audit and the Company Secretary(ies) shall normally attend meetings. Other Board members and employees may attend meetings upon the invitation of the Committee. A representative of the external auditors shall attend the meeting to consider the final audited financial statements and such other meetings determined by the Committee.

The Chairman shall exercise the right to require those who are in attendance to leave the room when matters to be discussed are likely to be hampered by their presence or confidentiality of matters needed to be preserved.

Reporting Procedure

The Company Secretary(ies) shall record the proceeding of meetings. Minutes shall be circulated to all members of the Board.

The Committee shall prepare, for the Board and for inclusion in the Company's annual report, a summary of its activities in the discharge of its functions and duties for the financial year.

The Committee may report to the stock exchange of a matter reported by it to the Board which has not been satisfactorily resolved resulting in a breach of the Listing Requirements of Bursa Malaysia.

SUMMARY OF AUDIT COMMITTEE'S ACTIVITIES

In discharging its responsibilities for the financial year, the Committee, in particular:

- reviewed the unaudited quarterly financial results and annual audited financial statements of the Company and the Group focusing on the factors contributing to the performance of the Company and the Group; changes to the accounting standards and its impact; and the accounting treatments used in the financial statements prior to approval by the Board.

- discussed and reviewed the major findings, weaknesses and key significant internal audit matters raised by internal auditors and Management's response and follow-up actions thereto. Where appropriate, the Management will be requested to rectify and improve internal control procedures and workflow processes based on the internal auditors' recommendations.

- reviewed and approved the annual internal audit plan to ensure adequacy of scope and coverage of the auditable areas including staffing requirements and ensured high risk areas are audited on a regular basis.

- reviewed and assisted in the development and implementation of sound and effective internal control and business systems within the Group.

- reviewed the external auditors' scope of work and audit plan for the year.

AUDIT COMMITTEE REPORT
cont'd

- discussed and reviewed with the external auditors the results of their examination and their auditors' report in relation to the audit and accounting issues arising from the audit.

- assessed the performance and independence of the external auditors and recommended the re-appointment of external auditors as auditors and the payment of audit fees for the Board's consideration.

- reviewed the related party transactions and recurrent related party transactions of the Group on a quarterly basis.

- reviewed key risks and their related control strategies of the Group.

- reviewed the Audit Committee Report and Internal Control Statement.

- met with external auditors twice in 2015 without the present of Senior Management.

- reviewed the report on irregularities and serious misconducts issued by the Group Compliance.

- met with the Management of Mayflower Travel & Car Rental Division to discuss improvement on internal control processes and operational weaknesses.

INTERNAL AUDIT FUNCTION AND SUMMARY OF ACTIVITIES

The Committee is supported by an in-house Systems & Internal Audit Department ("SIA"), which reports functionally to the Committee and is independent of the activities they audit. SIA operates under a charter approved by the Committee that gives the internal audit function unrestricted access to review all activities of the Group.

The internal audit function adopts a risk-based approach in identifying areas to be audited on a prioritised basis that focuses on key activities of major business units within the Group. Internal audit activities are guided by an annual audit plan and approved by the Committee.

The main objectives of the audit reviews are to assess the adequacy and effectiveness of the internal control systems and risk management, and that the operating units/functions reviewed are operating in line with the current policies and procedures.

During the financial year, SIA performed its audits based on the annual audit plan in the following areas:-

- Travel & Car Rental Division
- Machinery Division
- Consumer Products Division
- Automotive Division
- Captive Insurance
- Recurrent Related Party Transactions

SIA also carried out follow-up reviews on the status of Management's action plans to ensure prompt resolution of issues and concerns raised in the internal audit reports. Progress of significant issues were tabled to the Committee for review until such matters are satisfactorily resolved.

The costs incurred for the internal audit function in respect of the financial year 2015 amounted to approximately RM205,000.

RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT

Board Responsibility

The Board has overall responsibility for the Group's system of risk management and internal control and for reviewing its adequacy and integrity to safeguard shareholders' investment and the Group's assets. Due to the inherent limitations in any system of risk management and internal control, it should be noted that such a system is designed to manage rather than eliminate the risk of failure to achieve corporate objectives. In pursuing these objectives, it can only provide reasonable, but not absolute, assurance against material misstatement or loss.

Risk Management and Internal Control System

The key elements of the Group's risk management and internal control system are described as below:

- Defined lines of responsibility, delegation of authority, segregation of duties and information flow;
- The Executive Management Committee reviews high level operating policies as well as monitors the performance and profitability of business divisions;
- Internal policies and procedures have been established and documented for adherence by personnel in the Group;
- Business planning and budgeting process for business units with periodical monitoring of performance so that major variances are followed up and management action taken;
- The Group's performance is reviewed and deliberated by the Board on a quarterly basis with financial performance variances presented;
- Justification and approval process for major expenditures to ensure congruence with the Company's strategic objectives; and
- Independent appraisals by internal auditors to ensure ongoing compliance with policies and procedures whilst assessing the effectiveness of the Group's system of financial, compliance, environmental and operational control.

Risk Management Framework

The Board confirms that there is a continuous process to identify, evaluate and manage the significant risks of the Group, except for the review of the risk management of joint ventures whereby the Group's interest is served through representation on the Board of the joint ventures. Key risks relating to the Group's operations and strategic mission are addressed, evaluated and subsequently tabled and endorsed by the Board.

Recognising the importance of risk management, the Board has put in place a structured framework to enable Management to identify, evaluate, control, monitor and report to the Board the principal business risks faced by the Group on an ongoing basis.

The key features of the risk management framework are as follows:

- Establishment of a Risk Management Committee ("RMC") which is headed by an Executive Director and comprising key management personnel from respective business divisions. The RMC is entrusted with the responsibility to identify and communicate to the Board through the Audit Committee on the risks that the Group faces, their changes and management action plans to mitigate the risks. Minutes of RMC meetings are presented to the Audit Committee and the Board for notation;
- Adoption of the Risk Management Oversight Policies and Procedures which outlines the risk management framework for the Group and offers practical guidance on risk management issues; and
- Updates on Corporate Risk Scorecards by the heads of business division. The high risks and significant controls are subject to regular reviews.

RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT
cont'd

The Board has also formalised a fraud prevention framework which aims to provide broad principles, strategy and policy for the Group to adopt in relation to fraud in order to promote high standard of integrity. This framework establishes comprehensive programs and controls for the Group as well as highlights the roles and responsibilities at every level for preventing and responding to fraud. In complementing the fraud prevention framework, the Board adopted a Special Complaints Policy which set out procedures for employees to raise concern on any questionable practices and improper activities within the Group.

Internal Audit Function

An in-house internal audit function supports the Audit Committee, and by extension, the Board, by providing independent and objective assurance on the adequacy and effectiveness of the Group's system of internal control. Internal audit appraises and contributes towards improving the Group's risk management and control system. The internal audit activities are guided by an annual internal audit plan, which is approved by the Audit Committee, and internal audit reports are tabled to the Audit Committee for review on a quarterly basis. Internal audit also follows up on the status of Management's action plans on audit findings to ensure that they are promptly implemented.

The internal audit team is independent of the activities it audits and has no involvement in the operation of the Group.

Review of the Group's system of risk management and internal control

During the year, there were no material losses that resulted from a breakdown in internal control.

On the basis of review of the Group's system of risk management and internal control, the Board is of the view that the system, which is in place for the year under review and up to the date of this Annual Report, is adequate to achieve the Group's business objectives.

The Board has received assurance from the Management that the Group's risk management and internal control system covering all controls including financial, operational and compliance controls, are operating adequately and effectively, in all material aspects, based on the frameworks adopted by the Group.

Review of the Statement by External Auditors

The external auditors have reviewed this Risk Management and Internal Control Statement in accordance with the Recommended Practice Guide 5 (Revised) issued by the Malaysian Institute of Accountants for inclusion in the annual report for the financial year under review and reported to the Board that nothing has come to their attention that cause them to believe that the statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and effectiveness of risk management and internal control within the Group.

Recommendation Practice Guide 5 (Revised) does not require the external auditors to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems.

ADDITIONAL COMPLIANCE INFORMATION

In compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the following additional information is provided:

(i) Utilisation of proceeds

There were no proceeds raised from corporate exercises during the financial year.

(ii) Share buy-back

During the financial year, the Company bought back a total of 1,100 shares of RM1.00 each from the open market. Details of the shares bought back during the financial year were as follows:

Month	Number of shares bought back and held as treasury shares	Highest price paid per share (RM)	Lowest price paid per share (RM)	Average price paid per share (RM)	Total consideration* (RM)
May	100	3.00	3.00	3.00	341.09
November	1,000	2.91	2.91	2.91	2,956.33
Total	1,100				3,297.42

*Note: * including transaction costs*

All the shares bought back during the financial year are held as treasury shares. As at 31 December 2015, a total of 2,098,100 shares were held as treasury shares. None of the treasury shares were resold or cancelled during the financial year.

(iii) Option, warrants or convertible securities

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

(iv) American Depository Receipt ("ADR")/Global Depository Receipt ("GDR")

The Company did not sponsor any ADR or GDR programme during the financial year.

(v) Sanctions and/or penalties

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

(vi) Non-audit fees

The amount of non-audit fees incurred for the services rendered to the Group by the external auditors or a firm or company affiliated to the external auditors during the financial year was RM180,987.

(vii) Variance in results

There was no significant variance between the results of the financial year and the unaudited results previously announced. The Company did not make any release on profit estimate, forecast or projection.

(viii) Profit guarantee

The Company did not give any profit guarantee during the financial year.

ADDITIONAL COMPLIANCE INFORMATION
cont'd

(ix) Material contracts

There were no material contracts entered into by the Company and/or its subsidiaries involving Directors and major shareholders, either subsisting at the end of the financial year or entered into since the end of the previous financial year.

(x) Corporate social responsibility

The Group acknowledges the importance of Corporate Social Responsibility ("CSR") for business sustainability towards the community, workplace, environment and market place. Hence, making CSR as an integral part of business will certainly help drive this initiative to the next level.

During the year, the Group's employees continued to be committed fund-raisers to a variety of different charitable causes by taking part in some Charity Run events namely ACKU Charity Run 2015 and MRCA Run For Charity to raise funds for the charitable homes to help the needy and to create awareness for living a healthy lifestyle. For the 2nd consecutive year, the staff had joined "Healthy Digestion Walk" organised by Vitagen in conjunction with World Digestive Health Day to raise the awareness on the importance of the digestive system. Our subsidiary had organised a Flood Donation Campaign by contributing food supplies, clothes and daily essential items through the Malaysian Red Crescent Society to help alleviate the suffering of the flood victims in the East Coast Malaysia.

For bettering lives, several community activities were organised for the under privileged children and old folks. The Group's employees visited the under privileged children in Children Loving Home and old forks in Pusat Jagaaan Saresu, Semenyih in conjunction with the Chinese New Year and Christmas celebrations and distributed goodies, food and daily essentials items.

Wacoal Malaysia Sdn Bhd ("Wacoal Malaysia"), a joint-venture company of the Group, has in each year organised the Wacoal Pink Ribbon campaign, a campaign that creates awareness for Breast Cancer and Breast Self-Examination (BSE) since its incorporation in Malaysia. For year 2015, Wacoal Malaysia has for the 3rd consecutive year, partnered with The New Straits Times as the exclusive Media Partner to further spread the word "Early Detection of Breast Cancer Saves Lives". For the first time, Wacoal Malaysia had engaged the public in helping to spread the message. Riding on the success of the 2014 Wacoal Pink Ribbon Ride, Wacoal Malaysia had organised a bigger scale Pink Ribbon Fun Ride on 11 October 2015 with over 700 cycling enthusiasts wearing the custom-designed pink T-shirt bearing the "beat breast cancer" message through the heart of Kuala Lumpur stopping at iconic sites like the KLCC, and Sultan Abdul Samad Building near Dataran Merdeka.

The Group's continued business success depends on an engaged workforce that is able to meet the challenges of a rapidly changing marketplace. The Group believes that human resources are the most important asset to an organisation and achieving a balanced and effective workforce is important for business sustainability. Having a diverse workforce is necessary in order to achieve this objective with guidelines adopted by the recruitment team of Human Resources Department in areas of gender, age and ethnicity, besides the right attributes, skills, qualification and experience. The Group strives to provide all employees with equal access to information, development and opportunity. Our diversity workplace strategy includes programs to attract, retain and develop diverse talent; and provide support systems for workforce with diverse backgrounds.

Continuous learning and development programmes were carried out throughout the year to equip the employees with relevant skills, knowledge and experience which would enhance their competency and eventually add value to the Group. The Group also offered an educational assistance program to the eligible employees to pursue their higher level of studies in local and private universities. In the effort to shower a caring attitude towards the employees' need and welfare, an In-house Day-Care Facility was established for children of employees. In line with the Group's policy to provide a safe and healthy working environment, the Company also provides medical facilities by engaging in-house doctors, nurses and ambulance services to provide medical assistance and advices to the employees. Various free health screening and awareness talks were initiated to create awareness to the employees and leading them to live a healthy lifestyle. In-house sports and recreational activities such as yoga, futsal, badminton, bowling and indoor games were also organised throughout the year to foster closer working relationship and inculcate teamwork among the employees.

ADDITIONAL COMPLIANCE INFORMATION
cont'd

(x) Corporate social responsibility (continued)

To ensure that the Group's business activities comply with applicable environmental standards, rules and regulations, an environmentally-conscious work practices are promoted throughout the Group in order to reduce environmental impact, enhance energy efficiency and recycling whenever possible to conserve natural resources. Recycle bins are put up at workplace and recyclable items are collected and channelled to the relevant authorities to help the community at large and at the same time to create awareness among employees to have more environmental friendly mind-set to support a greener environment.

In conjunction with its 10th Year Anniversary celebration, Shiseido Malaysia Sdn Bhd, a joint venture company of the Group, conducted a tree planting and beach cleaning program in Port Dickson. With the guidance from the Forestry Department's personnel, baby trees were planted along the coast of Pantai Cermin of Port Dickson to prevent soil erosion by sea waves.

The Group values its business ties with all its customers, business partners and other stakeholders in the market place through constantly striving to meet their needs and want in terms of providing good products and services, develop good relationship by offering, creating solutions to grow their businesses more creatively and to operate in a mutually beneficial way. Steps were also taken to provide assistance and technical support and to promote ethical business practices to the business partners to ensure that they continue to provide excellent customer service.

SHAREHOLDERS' STATISTICS
AS AT 31 MARCH 2016

SHARE CAPITAL

Authorised	:	RM100,000,000
Issued and Fully Paid-up	:	RM67,200,000
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	1 vote per ordinary share

ANALYSIS BY SIZE OF HOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares Held	%
Less than 100	1,895	37.21	85,312	0.12
100 - 1,000	2,391	46.95	789,375	1.17
1,001 - 10,000	629	12.35	2,179,816	3.24
10,001 - 100,000	130	2.55	4,212,204	6.29
100,001 - 3,255,094 (less than 5% of issued shares)	46	0.90	30,460,184	45.33
3,255,095 (5% of issued shares) and above	2	0.04	27,375,009	40.73
Sub-Total	5,093	100.00	65,101,900	96.88
Treasury shares			2,098,100	3.12
Total	5,093	100.00	67,200,000	100.00

SHAREHOLDERS' STATISTICS

AS AT 31 MARCH 2016

cont'd

DIRECTORS' SHAREHOLDINGS (as per Register of Directors' Shareholdings)

	Name	Direct No. of Shares Held	% [1]	Indirect No. of Shares Held	% [1]
1.	Dato' Tan Heng Chew	4,278,633	6.57	30,639,928	47.06 [2]
2.	Tan Keng Meng	100	- [3]	-	-
3.	Datin Low Suet Moi	-	-	-	-
4.	Dato' Seow Thiam Fatt	9,000	0.01	-	-
5.	Datuk Abdullah bin Abdul Wahab	-	-	-	-
6.	Dato' Chong Kwong Chin	-	-	-	-

Notes:

(1) *Percentage is based on issued shares less treasury shares.*

(2) *Deemed interest by virtue of interests in Tan Chong Consolidated Sdn Bhd and Wealthmark Holdings Sdn Bhd pursuant to Section 6A of the Companies Act, 1965 ("the Act") and interest of spouse by virtue of Section 134(12)(c) of the Act.*

(3) *Less than 0.01%.*

SUBSTANTIAL SHAREHOLDERS (as per Register of Substantial Shareholders)

	Name	Direct No. of Shares Held	% [3]	Indirect No. of Shares Held	% [3]
1.	Tan Chong Consolidated Sdn Bhd	23,446,509	36.01	-	-
2.	Dato' Tan Heng Chew	4,278,633	6.57	27,844,509	42.77 [1]
3.	Wealthmark Holdings Sdn Bhd	4,398,000	6.76	-	-
4.	Tan Eng Soon	-	-	27,844,509	42.77 [1]
5.	Tan Kheng Leong	10,000	0.02	23,446,509	36.01 [2]

Notes:

(1) *Deemed interest by virtue of interests in Tan Chong Consolidated Sdn Bhd ("TCC") and Wealthmark Holdings Sdn Bhd pursuant to Section 6A of the Companies Act, 1965 ("the Act").*

(2) *Deemed interest by virtue of interest in TCC pursuant to Section 6A of the Act.*

(3) *Percentage is based on issued shares less treasury shares.*

SHAREHOLDERS' STATISTICS

AS AT 31 MARCH 2016

cont'd

THIRTY LARGEST SHAREHOLDERS

	Name	No. of Shares Held	%*
1.	Tan Chong Consolidated Sdn Bhd	21,004,909	32.26
2.	DB (Malaysia) Nominee (Asing) Sdn Bhd *Exempt AN For The Bank of New York Mellon SA/NV (BDS Jersey)*	6,370,100	9.78
3.	Tan Kim Hor	2,949,153	4.53
4.	Tan Chong Consolidated Sdn Bhd	2,371,600	3.64
5.	Cimsec Nominees (Tempatan) Sdn Bhd *CIMB Bank for Tan Heng Chew (MM1063)*	2,262,100	3.47
6.	Wealthmark Holdings Sdn Bhd	2,222,100	3.41
7.	Cimsec Nominees (Tempatan) Sdn Bhd *CIMB Bank for Khor Swee Wah @ Koh Bee Leng (PBCL-0G0031)*	1,375,169	2.11
8.	Wealthmark Holdings Sdn Bhd	1,222,000	1.88
9.	Key Development Sdn Berhad	1,130,000	1.74
10.	HLB Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Khor Swee Wah @ Koh Bee Leng (SIN 7029-9)*	1,100,000	1.69
11.	Pang Sew Ha @ Phang Sui Har	993,400	1.53
12.	Wealthmark Holdings Sdn Bhd	953,900	1.47
13.	Wong Yu @ Wong Wing Yu	891,500	1.37
14.	Tan Boon Pun	776,095	1.19
15.	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Tan Heng Chew*	722,300	1.11
16.	Gan Teng Siew Realty Sdn Berhad	692,500	1.06
17.	Tan Ban Leong	682,960	1.05
18.	Tan Beng Keong	682,960	1.05
19.	Tan Chee Keong	682,960	1.05
20.	Tan Hoe Pin	682,960	1.05
21.	Wong Yu @ Wong Wing Yu	654,600	1.00
22.	Alliancegroup Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Tan Heng Chew (8041121)*	634,900	0.98
23.	Chinchoo Investment Sdn Berhad	583,700	0.90
24.	Public Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Tan Heng Chew (E-KLC)*	561,300	0.86
25.	Key Development Sdn Berhad	358,900	0.55
26.	Associated Abrasives Sdn Bhd	331,600	0.51
27.	Rengo Malay Estate Sendirian Berhad	330,000	0.51
28.	CIMB Group Nominees (Asing) Sdn Bhd *Exempt AN for DBS Bank Ltd (SFS)*	312,000	0.48
29.	Lee Lang	310,436	0.48
30.	HSBC Nominees (Asing) Sdn Bhd *Exempt AN for Bank Julius Baer & Co. Ltd. (Singapore BCH)*	310,250	0.48
	Total	**54,156,352**	**83.19**

Note:

* *Percentage is based on issued shares less treasury shares*

GROUP PROPERTIES
AS AT 31 DECEMBER 2015

Location	Description	Land Area (sq feet)	Built-up Area (sq feet)	Tenure/ Expire Date	Net Book Value (RM million)	Age of Building (years)	Date of Acquisition	Year of Revaluation
18, Jalan Segambut Pusat 51200 Kuala Lumpur	Office & vehicle store yard	17,574	18,160	Leasehold 16.6.2067	6.4	39	1.10.1977	2014
Lot 9, Jalan Delima 1/1 Subang Hi Tech Industrial Park 40000 Shah Alam Selangor	Showroom, office, workshop & vehicle storage yard	98,349	53,766	Freehold	17.9	23	20.12.1990	2014
43, Jalan IMJ 3 Taman Industry Malim Jaya 75050 Malacca	Office and workshop	11,087	3,700	Leasehold 18.11.2095	0.7	19	12.12.1996	2014
19, Jalan Bertam 8 Taman Daya 81100 Johor Bahru Johor	Office and workshop	8,456	7,553	Freehold	1.5	23	20.5.2000	2014
Lot 1A, Jalan Kemajuan Seksyen 13 46200 Petaling Jaya Selangor	Office and warehouse	94,596	33,900	Leasehold 10.6.2058	45.8	41	10.09.2004	2015
Lot 29, Jalan Delima 1/3 Subang Hi Tech Industrial Park 40000 Shah Alam Selangor	Showroom, office, workshop & vehicle storage yard	125,871	40,808	Freehold	20.3	23	2.3.2004	2014
Lot 22, Ground Floor Wisma Sabah Jalan Tun Razak 88000 Kota Kinabalu Sabah	Office lot	-	595	Leasehold 31.12.2072	0.5	38	23.10.2002	2014
No 3, Jalan Perusahaan Perkhidmatan Pengkalan Taman Pengkalan Maju 34700 Simpang, Taiping Perak	Office building annexed with factory	72,646	57,464	Freehold	4.3	15	5.4.2007	2014
No 1, Jalan Metro Pudu Fraser Business Park Off Jalan Yew 55100 Kuala Lumpur	Commercial shop office	2,902	16,296	Freehold	10.5	8	6.6.2008	2014
610 Jalan Nilai 3/15 Kawasan Perindustrian Nilai 3 71800 Nilai, Negeri Sembilan	Industrial building	3,003	3,003	Freehold	0.4	16	20.7.2004	2014
18 VSIP II Street 2 Vietnam Singapore Industrial Park II (VSIP II) Binh Duong Industry Service Urban Complex How Dau Mot Town Bihn Duong Province, Vietnam	Industrial land & building	135,108	9,890	Leasehold 30.11.2055	4.7	5	02.12.2009	2014
41, Jalan IMJ 3 Taman Industry Malim Jaya 75250 Malacca	Office and workshop	5,597	5,200	Leasehold 18.11.2095	0.7	19	22.12.2014	2014

STATEMENT ON DIRECTORS' RESPONSIBILITY

FOR PREPARING THE ANNUAL AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which give a true and fair view of the financial position of the Group and Company and their financial performance and cash flows for the financial year.

In preparing the financial statements for the year ended 31 December 2015, the Directors have:

1. adopted the appropriate accounting policies, which are consistently applied;
2. made judgments and estimates that are reasonable and prudent; and
3. ensured that the applicable approved accounting standards in Malaysia and provisions of the Companies Act, 1965 are complied with.

The Directors have the responsibility for ensuring that the Company and the Group keep proper and adequate accounting records which disclose with reasonable accuracy the financial position of the Company and the Group and to ensure that the financial statements comply with the requirements of the Companies Act, 1965. The Directors have the general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding. The principal activities of the subsidiary companies and jointly controlled entities are indicated in Notes 5 and 6 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit/(Loss) for the year	795	(4,371)
Attributable to:		
Owners of the Company	1,185	(4,371)
Non-controlling interests	(390)	-
	795	(4,371)

DIVIDENDS

Since the end of the previous financial year, the Company paid the following dividends:

	RM'000
A final single tier dividend of 4.5 sen, in respect of the financial year ended 31 December 2014, on 25 June 2015	2,930
An interim single tier dividend of 2.5 sen, in respect of the financial year ended 31 December 2015, on 30 September 2015	1,627
	4,557

At the forthcoming Annual General Meeting ("AGM"), the directors proposed the payment of a final single tier dividend of 4.5 sen in respect of the financial year ended 31 December 2015 amounting to a dividend payable of approximately RM2.9 million. The financial statements for the current year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2016.

RESERVES AND PROVISIONS

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

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015
cont'd

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any shares or debentures during the financial year.

TREASURY SHARES

At the AGM held on 17 May 2006, the shareholders approved share buy-back of up to 10% of the Company's issued and paid up share capital i.e. up to 6,720,000 ordinary shares of RM1.00 each. The authority from shareholders has been renewed at each of the subsequent AGMs of the Company, the latest being the AGM held on 28 May 2015. The authority will expire at the conclusion of the forthcoming AGM.

Shares buy-back transactions made by the Company until 31 December 2015 were as follows:

Year of buy-back	No. of ordinary shares	Average price per share	Total cost
		RM	RM
2006	158,100	1.70	268,636
2007	799,200	1.85	1,476,109
2008	332,700	1.95	649,382
2009	591,400	2.17	1,285,134
2010	111,000	2.29	253,904
2011	46,800	2.51	117,423
2012	30,200	2.57	77,612
2013	26,100	2.81	73,217
2014	1,500	3.17	4,761
2015	1,100	3.00	3,297
	2,098,100		4,209,475

The repurchased transactions were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

DIRECTORS

The directors in office since the date of the last report are:

Dato' Tan Heng Chew
Tan Keng Meng
Dato' Chong Kwong Chin
Dato' Seow Thiam Fatt
Datuk Abdullah bin Abdul Wahab
Datin Low Suet Moi *(Appointed on 1.10.2015)*
Ngu Ew Look *(Resigned on 1.10.2015)*

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015
cont'd

DIRECTORS' INTERESTS IN SHARES

According to the register of directors' shareholdings required to be kept under Section 134 of the Companies Act, 1965, the directors' interests in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares of RM1 each			
	At 1.1.2015	Addition	Disposal	At 31.12.2015
Dato' Tan Heng Chew				
- direct interest	4,278,633	-	-	4,278,633
- indirect interest ^	27,844,509	-	-	27,844,509
- indirect interest #	2,795,419	-	-	2,795,419
Tan Keng Meng				
- direct interest	100	-	-	100
Dato' Seow Thiam Fatt				
- direct interest	9,000	-	-	9,000

^ *Indirect interest by virtue of interests in Tan Chong Consolidated Sdn Bhd ("TCC") and Wealthmark Holdings Sdn Bhd pursuant to Section 6A of the Companies Act, 1965 ("Act").*

Include disclosure of interest held by spouse pursuant to Section 134(12)(c) of the Act.

By virtue of his interests in shares in the Company, Dato' Tan Heng Chew, is deemed to have an interests in shares in all the subsidiaries to the extent that the Company has an interest.

None of the other directors holding office as at 31 December 2015 has any interest in the ordinary shares of the Company and its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to have arisen from transactions disclosed in Note 30 (c) to the financial statements.

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

OTHER STATUTORY INFORMATION

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

(i) to ascertain that action 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 adequate allowance had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business 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.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015
cont'd

OTHER STATUTORY INFORMATION (continued)

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

(i) which would render the amount 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

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

(iii) 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:

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

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

No contingent or other liability of the Company or its subsidiary companies 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 Company or its subsidiary companies to meet their obligations as and 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 of the Group and of the Company which would render any amount stated in the respective financial statements misleading.

In the opinion of the directors, except for those disclosed in the financial statements:

(i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(ii) 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.

SUBSEQUENT EVENT

Subsequent event is disclosed in Note 38 to the financial statements.

AUDITORS

The auditors, Mazars, Chartered Accountants, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a directors' resolution dated 8 April 2016.

TAN KENG MENG
Director

DATIN LOW SUET MOI
Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WARISAN TC HOLDINGS BERHAD
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Warisan TC Holdings Berhad, which comprise statements of financial position as at 31 December 2015 of the Group and of the Company, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 48 to 122.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015 and of their financial performances and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 ("the Act") 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 and jointly controlled entity of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries and jointly controlled entity of which we have not acted as auditors, and which are indicated in Notes 5 and 6 to the financial statements.

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

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

Other Reporting Responsibilities

The supplementary information set out in Note 40 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 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.

MAZARS
No. AF: 001954
Chartered Accountants

YAP CHING SHIN
No. 2022/03/18 (J)
Chartered Accountant

Kuala Lumpur

Date: 8 April 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	2015 RM'000	2014 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	*3*	274,482	263,636
Investment property	*4*	45,800	44,500
Investments accounted for using the equity method	*6*	33,473	32,177
Intangible assets	*7*	9,131	9,131
Deferred tax assets	*8*	1,749	1,328
Finance lease receivables	*9*	2,364	5,607
Other investments	*10*	10	10
TOTAL NON-CURRENT ASSETS		367,009	356,389
CURRENT ASSETS			
Inventories	*11*	144,089	149,971
Trade and other receivables	*12*	155,333	138,490
Derivative financial assets	*13*	118	108
Current tax assets		9,681	4,477
Cash and bank balances	*14*	94,562	92,241
TOTAL CURRENT ASSETS		403,783	385,287
TOTAL ASSETS		770,792	741,676

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

cont'd

	Note	2015 RM'000	2014 RM'000
EQUITY AND LIABILITIES			
EQUITY			
Share capital	*15*	67,200	67,200
Share premium		615	615
Treasury shares	*16*	(4,209)	(4,206)
Merger reserve	*17*	(41,614)	(41,614)
Translation reserve	*17*	4,338	1,327
Hedging reserve	*17*	83	(184)
Revaluation reserve	*17*	45,778	46,092
Retained earnings		257,526	260,706
Total equity attributable to owners of the Company		329,717	329,936
Non-controlling interests		(585)	(195)
TOTAL EQUITY		329,132	329,741
NON-CURRENT LIABILITIES			
Loans and borrowings	*18*	59,472	60,741
Retirement benefit obligations	*19*	3,824	3,096
Deferred tax liabilities	*8*	17,810	16,576
TOTAL NON-CURRENT LIABILITIES		81,106	80,413
CURRENT LIABILITIES			
Trade and other payables	*20*	116,578	108,320
Loans and borrowings	*21*	243,916	221,494
Current tax liabilities		52	1,425
Derivative financial liabilities	*13*	8	283
TOTAL CURRENT LIABILITIES		360,554	331,522
TOTAL LIABILITIES		441,660	411,935
TOTAL EQUITY AND LIABILITIES		770,792	741,676

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 RM'000	2014 RM'000
Revenue	*22*	445,943	459,304
Cost of sales		(322,265)	(331,944)
Gross profit		123,678	127,360
Other income		2,602	2,359
Selling and distribution expenses		(50,324)	(53,770)
Administrative and general expenses		(64,500)	(66,573)
Profit from operations	*23*	11,456	9,376
Finance income		1,626	2,177
Finance costs	*24*	(12,282)	(12,187)
Net finance costs		(10,656)	(10,010)
Fair value gain on investment property		1,300	1,900
Share of profit on investments accounted for using the equity method, net of tax	*6*	1,838	2,219
Profit before tax		3,938	3,485
Tax expense	*25*	(3,143)	(2,078)
Profit for the year		795	1,407

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 RM'000	2014 RM'000
Profit for the year		795	1,407
Other comprehensive income, net of tax:			
Items that are or may be reclassified subsequently to profit or loss:			
Change in fair value of cash flow hedge		267	(382)
Foreign currency translation differences for foreign operations		3,011	765
		3,278	383
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of retirement benefit obligations		(124)	(33)
Revaluation of property, plant and equipment		-	33,887
Share of gain on investments accounted for using the equity method		2	53
Other comprehensive income for the year, net of tax	26	3,156	34,290
Total comprehensive income for the year		3,951	35,697
Profit attributable to:			
Owners of the Company		1,185	1,784
Non-controlling interests		(390)	(377)
Profit for the year		795	1,407
Total comprehensive income attributable to:			
Owners of the Company		4,341	36,074
Non-controlling interests		(390)	(377)
Total comprehensive income for the year		3,951	35,697
Basic earnings per share (sen)	27	1.82	2.74
Dividend per share (net of tax) (sen)	28	7.0	9.0

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Merger reserve RM'000	Translation reserve RM'000	Hedging reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
		← Attributable to owners of the Company →										
		← Non-distributable →							Distributable			
At 1 January 2014		67,200	615	(4,201)	(41,614)	562	198	12,205	264,761	299,726	182	299,908
Foreign currency translation differences for foreign operations		-	-	-	-	765	-	-	-	765	-	765
Remeasurement of retirement benefit obligations		-	-	-	-	-	-	-	(33)	(33)	-	(33)
Change in fair value of cash flow hedge		-	-	-	-	-	(382)	-	-	(382)	-	(382)
Revaluation of property, plant and equipment		-	-	-	-	-	-	33,887	-	33,887	-	33,887
Share of gain on investments accounted for using the equity method		-	-	-	-	-	-	-	53	53	-	53
Total other comprehensive income for the year		-	-	-	-	765	(382)	33,887	20	34,290	-	34,290
Profit for the year		-	-	-	-	-	-	-	1,784	1,784	(377)	1,407
Total comprehensive income for the year		-	-	-	-	765	(382)	33,887	1,804	36,074	(377)	35,697
Purchase of treasury shares	*16*	-	-	(5)	-	-	-	-	-	(5)	-	(5)
Dividends to owners of the Company	*28*	-	-	-	-	-	-	-	(5,859)	(5,859)	-	(5,859)
At 31 December 2014		67,200	615	(4,206)	(41,614)	1,327	(184)	46,092	260,706	329,936	(195)	329,741
At 1 January 2015		67,200	615	(4,206)	(41,614)	1,327	(184)	46,092	260,706	329,936	(195)	329,741
Foreign currency translation differences for foreign operations		-	-	-	-	3,011	-	-	-	3,011	-	3,011
Remeasurement of retirement benefit obligations		-	-	-	-	-	-	-	(124)	(124)	-	(124)
Change in fair value of cash flow hedge		-	-	-	-	-	267	-	-	267	-	267
Share of gain on investments accounted for using the equity method		-	-	-	-	-	-	-	2	2	-	2
Total other comprehensive income for the year		-	-	-	-	3,011	267	-	(122)	3,156	-	3,156
Profit for the year		-	-	-	-	-	-	-	1,185	1,185	(390)	795
Total comprehensive income for the year		-	-	-	-	3,011	267	-	1,063	4,341	(390)	3,951
Purchase of treasury shares	*16*	-	-	(3)	-	-	-	-	-	(3)	-	(3)
Dividends to owners of the Company	*28*	-	-	-	-	-	-	-	(4,557)	(4,557)	-	(4,557)
Portion of revaluation reserve transferred through depreciation		-	-	-	-	-	-	(314)	314	-	-	-
At 31 December 2015		67,200	615	(4,209)	(41,614)	4,338	83	45,778	257,526	329,717	(585)	329,132

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 RM'000	2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,938	3,485
Adjustments for:		
Allowance for doubtful debts, net of reversals	(13)	(668)
Bad debts written off	172	207
Fair value adjustment on investment property	(1,300)	(1,900)
Depreciation of property, plant and equipment	49,649	45,654
Dividend income from other unquoted investment	-	(4)
(Gain)/Loss on disposal of property, plant and equipment	(212)	61
Gain on disposal of assets held for rental	(3,083)	(9,204)
Impairment loss on property, plant and equipment	-	786
Interest expense	12,282	12,187
Interest income	(1,626)	(2,177)
Inventories written down, net of write back	886	2,037
Property, plant and equipment written off	775	152
Retirement benefits expense	770	693
Unrealised (gain)/loss on foreign exchange, net	(574)	80
Share of profit of equity accounted investments, net of tax	(1,838)	(2,219)
Operating profit before working capital changes	59,826	49,170
Changes in inventories	4,499	6,595
Changes in receivables	(13,759)	(22,295)
Changes in payables	8,258	12,526
Cash generated from operations	58,824	45,996
Proceeds from disposal of assets held for rental	18,445	35,444
Tax paid, net of refunds	(8,942)	(6,426)
Retirement benefits paid	(205)	(74)
Net cash generated from operating activities	68,122	74,940

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

cont'd

	2015 RM'000	2014 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment (Note 37)	(51,968)	(58,551)
Proceeds from disposal of property, plant and equipment	1,837	4,184
Dividend received from jointly controlled entities	1,054	1,735
Dividend received from other investment	-	4
Interest received	1,626	2,177
Net cash used in investing activities	(47,451)	(50,451)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of bank term loans	20,000	35,000
Repayment of bank term loans	(32,861)	(41,406)
Drawdown of revolving credits	1,474,000	445,000
Repayment of revolving credits	(1,409,000)	(442,000)
Drawdown of bankers' acceptances	145,715	305,558
Repayment of bankers' acceptances	(179,800)	(314,760)
Repayment of hire purchase financing	(20,071)	(13,154)
Dividends paid	(4,557)	(5,859)
Interest paid	(12,282)	(12,187)
Treasury shares acquired	(3)	(5)
Net cash used in financing activities	(18,859)	(43,813)
NET CHANGES IN CASH AND CASH EQUIVALENTS	1,812	(19,324)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	89,545	108,328
Effects of exchange rate fluctuation on cash and cash equivalents	2,912	541
CASH AND CASH EQUIVALENTS CARRIED FORWARD	94,269	89,545
Represented by:		
Short term deposits	20,709	17,062
Fixed deposits	25,314	33,469
Cash at bank and in hand	48,539	41,710
Bank overdrafts	(293)	(2,696)
	94,269	89,545

The accompanying notes form an integral part of the financial statements

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	2015 RM'000	2014 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	47	80
Investment in subsidiary companies	5	159,061	162,151
Investment in jointly controlled entities	6	24,568	24,568
Deferred tax asset	8	27	-
TOTAL NON-CURRENT ASSETS		183,703	186,799
CURRENT ASSETS			
Trade and other receivables	12	10,639	14,195
Current tax asset		-	469
Cash and bank balances	14	763	3,665
TOTAL CURRENT ASSETS		11,402	18,329
TOTAL ASSETS		195,105	205,128
EQUITY AND LIABILITIES			
EQUITY			
Share capital	15	67,200	67,200
Treasury shares	16	(4,209)	(4,206)
Retained earnings		118,081	127,009
TOTAL EQUITY		181,072	190,003
NON-CURRENT LIABILITY			
Retirement benefit obligations	19	430	299
CURRENT LIABILITIES			
Trade and other payables	20	13,603	12,664
Bank term loan	21	-	2,162
TOTAL CURRENT LIABILITIES		13,603	14,826
TOTAL LIABILITIES		14,033	15,125
TOTAL EQUITY AND LIABILITIES		195,105	205,128

The accompanying notes form an integral part of the financial statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 RM'000	2014 RM'000
Revenue	*22*	8,429	16,101
Administrative and general expenses		(12,662)	(8,213)
(Loss)/Profit from operations	*23*	(4,233)	7,888
Finance income		66	149
Finance costs	*24*	(118)	(377)
Net finance costs		(52)	(228)
(Loss)/Profit before tax		(4,285)	7,660
Tax expense	*25*	-	53
(Loss)/Profit for the year		(4,285)	7,713
Other comprehensive (loss)/income, net of tax			
Item that will not be reclassified subsequently to profit or loss:			
Remeasurement of retirement benefit obligations		(86)	1
Total comprehensive (loss)/income for the year		(4,371)	7,714

The accompanying notes form an integral part of the financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	◄------- Non-distributable	-------►	Distributable	
		Share capital	Treasury shares	Retained earnings	Total
		RM'000	RM'000	RM'000	RM'000
At 1 January 2014		67,200	(4,201)	125,154	188,153
Total other comprehensive income for the year		-	-	1	1
Profit for the year		-	-	7,713	7,713
Total comprehensive income for the year		-	-	7,714	7,714
Purchase of treasury shares	16	-	(5)	-	(5)
Dividends to owners of the Company	28	-	-	(5,859)	(5,859)
At 31 December 2014		67,200	(4,206)	127,009	190,003
At 1 January 2015		67,200	(4,206)	127,009	190,003
Total other comprehensive loss for the year		-	-	(86)	(86)
Loss for the year		-	-	(4,285)	(4,285)
Total comprehensive loss for the year		-	-	(4,371)	(4,371)
Purchase of treasury shares	16	-	(3)	-	(3)
Dividends to owners of the Company	28	-	-	(4,557)	(4,557)
At 31 December 2015		67,200	(4,209)	118,081	181,072

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 RM'000	2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(4,285)	7,660
Adjustments for:		
Depreciation of property, plant and equipment	33	111
Dividend income	(8,429)	(16,101)
Loss on disposal of property, plant and equipment	-	52
Impairment in value of investment in subsidiary companies	9,990	5,069
Interest income	(66)	(149)
Interest expense	118	377
Retirement benefit expense	132	113
Operating loss before working capital changes	(2,507)	(2,868)
Changes in receivables	3,556	(5,176)
Changes in payables	939	955
Cash generated from/(used in) operations	1,988	(7,089)
Tax refunded	469	4,102
Retirement benefits paid	(114)	-
Net cash generated from/(used in) operating activities	2,343	(2,987)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	778
Subscription of additional shares in subsidiary companies	(6,900)	(1,100)
Interest received	66	149
Dividends received from subsidiary companies	7,375	14,366
Dividends received from jointly controlled entities	1,054	1,735
Net cash generated from investing activities	1,595	15,928

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015
cont'd

	2015 RM'000	2014 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(118)	(377)
Dividends paid	(4,557)	(5,859)
Treasury shares acquired	(3)	(5)
Repayment of bank term loan	(2,162)	(6,486)
Net cash used in financing activities	(6,840)	(12,727)
NET CHANGES IN CASH AND CASH EQUIVALENTS	(2,902)	214
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	3,665	3,451
CASH AND CASH EQUIVALENTS CARRIED FORWARD	763	3,665
Represented by:		
Short term deposits	180	772
Fixed deposits	143	138
Cash at banks and in hand	440	2,755
	763	3,665

The accompanying notes form an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. GENERAL INFORMATION

Warisan TC Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business:	Registered office:
3rd Floor 15 Jalan Ipoh Kecil 50350 Kuala Lumpur Malaysia	62-68 Jalan Sultan Azlan Shah 51200 Kuala Lumpur Malaysia

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2015 comprise the Company and its subsidiaries (collectively referred to as the “Group”) and the Group’s interest in jointly controlled entities.

The Company is principally engaged in investment holding. The principal activities of the subsidiary companies and jointly controlled entities are indicated in Note 5 and 6 to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

(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”) issued by the Malaysian Accounting Standards Board (“MASB”), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The measurement bases applied in the preparation of the financial statements include historical cost, recoverable value, realisable value and fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value measurements are categorised as follows:

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

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

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

The financial statements are presented in Ringgit Malaysia (“RM”), which is also the Company’s functional currency.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Application of new or revised standards

In current year, the Group and the Company have applied a number of amendments that become effective mandatorily for the financial periods beginning on or after 1 January 2015.

The adoption of the amendments does not have significant impact on the financial statements of the Group and of the Company.

(c) Standards issued that are not yet effective

The Group and the Company have not applied the following standards and amendments that have been issued by the MASB but are not yet effective.

		Effective Date
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116	Incorporating Bearer Plants into the Scope of MFRS 116	1 January 2016
Amendments to MFRS 141	Amendments Resulting from the Incorporation of Bearer Plants into the scope of MFRS 116	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 5, MFRS 7, MFRS 119 and MFRS 134	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 9	Financial Instruments	1 January 2018
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by MASB

Except as otherwise indicated below, the adoption of the above new standards and amendments are not expected to have significant impact on the financial statements of the Group and of the Company.

MFRS 9 Financial Instruments

MFRS 9 addresses the classification, recognition, derecognition, measurement and impairment of financial assets and financial liabilities, as well as general hedge accounting. It replaces MFRS 139. MFRS 9 requires financial assets to be classified into two measurement categories, i.e. at fair value and at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the MFRS 139 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to changes in an entity's own credit risk is recorded in other comprehensive income, unless this creates an accounting mismatch. MFRS 9 contains a new impairment model based on expected losses (as oppose to 'incurred loss' model under MFRS 139), i.e. a loss event needs not occur before an impairment loss is recognised, which will result in earlier recognition of losses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Standards issued that are not yet effective (continued)

MFRS 9 Financial Instruments (continued)

The Group is currently assessing the impact to the financial statements upon adopting MFRS 9, and intends to adopt MFRS 9 on the mandatory effective date.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 introduces a new model for revenue recognition arising from contracts with customers. MFRS 15 will replace and supersede MFRS 111 Construction contracts, MFRS 118 Revenue, IC 13 Customer Loyalty Programmes, IC 15 Agreements for the Construction of Real Estate, IC 18 Transfers of Assets from Customers and IC 31 Revenue - Barter Transactions Involving Advertising Services. The application of MFRS 15 may result in difference in timing of revenue recognition as compared with current accounting policies.

The Group is currently assessing the impact to the financial statements upon adopting MFRS 15, and will adopt MFRS 15 on the mandatory effective date.

(d) Significant accounting judgements and estimates

The preparation of financial statements requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that affect reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the reporting date, and reported amounts of income and expenses during the financial year.

Although these estimates are based on management's best knowledge of current events and actions, historical experiences and various other factors, including expectations for future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources associated with estimation uncertainty at the reporting date that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial periods are discussed below:

(i) Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis to write off their costs to their residual values over their estimated useful lives. Management estimates these useful lives to be 50 - 55 years for buildings and within 2 to 10 years for other property, plant and equipment.

Changes in the expected level of usage, physical wear and tear and technological development could impact the economic useful lives and residual values of these assets, and therefore future depreciation charges could be revised.

The carrying amounts of the Group's and the Company's property, plant and equipment as at 31 December 2015 are disclosed in Note 3 to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Significant accounting judgements and estimates (continued)

Key sources of estimation uncertainty (continued)

(ii) Estimation of the fair value of land and buildings

The Group determines the fair value of its land and buildings based on a valuation carried out by an independent firm of professional valuers on an open market value basis.

The fair value of land and buildings under the fair value method is disclosed in Notes 3 and 4 to the financial statements.

(iii) Allowance for stock obsolescence and inventories write down

Inventories are stated at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices less the estimated costs necessary to make the sale.

Inventories are reviewed on a regular basis and the Group will make a provision for excess or obsolete inventories based primarily on historical trends and management estimates of expected and future product demand and related pricing.

Demand levels, technological advances and pricing competition could change from time to time. If such factors result in an adverse effect on the Group products, the Group might be required to reduce the value of its inventories and additional allowances for slow moving inventories may be required.

The carrying amount of the Group's inventories as at 31 December 2015 is disclosed in Note 11 to the financial statements.

(iv) Impairment of loans and receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the creditworthiness and the past collection history of each customer/debtor.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

The carrying amounts of the Group's and the Company's trade and other receivables as at 31 December 2015 are disclosed in Note 12 to the financial statements.

(v) Impairment of goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value in use of the cash-generating units to which the goodwill are allocated.

Estimating value in use requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the carrying value, the key assumptions applied in the impairment assessment of goodwill and sensitivity analysis to changes in the assumptions are disclosed in Note 7 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

cont'd

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Significant accounting judgements and estimates (continued)

Key sources of estimation uncertainty (continued)

(vi) Impairment of other non-financial assets

The Group determines whether other non-financial assets are impaired by evaluating the extent to which the recoverable amount of an asset is less than its carrying amount. This evaluation is subject to factors such as market performance, economic situation etc.

Recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value in use. The value in use is the net present value of the projected future cash flows derived from that asset discounted at an appropriate discount rate. For such discounted cash flow method, it involves the use of estimated future results and a set of assumptions to reflect its income and cash flows. Judgment has been used to determine the discount rate for the cash flows and the future growth of the business.

(vii) Income taxes

Significant judgement is involved in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income tax. There are certain transactions during the ordinary course of business and computations for which the ultimate tax determination is uncertain.

The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised for deductible temporary differences and unutilised tax losses to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and tax losses can be utilised.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(viii) Defined benefit plan

The Group determines the present value of the defined benefit obligation and the fair value of any plan asset based on calculations provided by independent actuaries triennially using the relevant assumptions as disclosed in Note 19 to the financial statements. Where expectations differ from the original estimate, the differences will impact the carrying amount of the post employment benefits obligations.

(e) Property, plant and equipment

(i) Measurement basis

Property, plant and equipment are stated at cost/valuation less accumulated depreciation and impairment losses, if any.

The Group changed its accounting policy with respect to the measurement of land and buildings from the cost model to the revaluation model. The Group's properties were revalued on 31 December 2014 by independent professional qualified valuer. Valuation will be performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the land and buildings at the reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Property, plant and equipment (continued)

(i) Measurement basis (continued)

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the assets.

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 asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised in profit or loss when incurred.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from their use. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

Surplus arising from revaluation are dealt with in the revaluation reserve account. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is recognised in profit or loss. When revalued assets are sold, the amounts included in the revaluation surplus reserve are transferred to retained earnings.

Property, plant and equipment held for rental purposes which have ceased to be used are transferred to inventories at lower of carrying value and net realisable value, and become held for sale.

(ii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, after deducting the estimated residual value. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Freehold land are not amortised. Leasehold land is depreciated on a straight-line basis over the remaining period of the lease. Buildings erected on leasehold land are depreciated over the shorter of the lease term and their useful lives.

The estimated useful lives of the other assets are as follows:

Buildings	50 - 55 years
Plant, machinery and equipment	2 - 7 years
Machinery and equipment for hire	3 - 5 years
Furniture, fixtures, fittings & office equipment	3 - 7 years
Renovation	3 - 4 years
Coaches, motor vehicles for hire and other motor vehicles	4 - 10 years
Cars for hire	4 - 5 years

The depreciation method, useful lives and residual values are reviewed and adjusted if appropriate, at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

cont'd

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Investment properties

Investment properties are properties held to earn rental income or for capital appreciation or both rather than for use in the production or supply of goods and services or for administrative purposes, or sale in the ordinary course of business.

Investment properties are measured initially at cost, including transaction costs. The cost of investment properties includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

(g) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and of all its subsidiaries and entities controlled by the Company made up to the end of the financial year.

The Company controls an investee if and only if the Company has all the following:

(i) power over the investee;
(ii) exposure, or rights, to variable returns from its involvement with the investee; and
(iii) the ability to use its power over the investee to affect the amount of the investor's returns.

Potential voting rights are considered when assessing control only if the rights are substantive.

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of an investee shall begin from the date the Company obtains control of the investee and cease when the investor loses control of the investee.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All intra-group balances, transactions, income and expenses are eliminated in full on consolidation and the consolidated financial statements reflect external transactions only.

The Group attributes the profit or loss and each component of other comprehensive income to the owners of the Company and to the non-controlling interests. The Group also attributes total comprehensive income to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Accounting for business combinations

Except for those subsidiary companies specifically identified in Note 5 to the financial statements which are consolidated on the merger method of accounting, all subsidiary companies are consolidated on the acquisition method of accounting from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Basis of consolidation (continued)

Accounting for business combinations (continued)

Under the acquisition method of accounting, the consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values of the assets transferred, the liabilities incurred, and the equity interests issued by the acquirer.

The Group accounts for acquisition related costs as expenses in the periods in which the costs are incurred and the services are received.

For each business combination, the Group measures at the acquisition date, components of non-controlling interests in the acquiree that are present ownership interest and entitle their holders to proportionate share of the entity's net assets in the event of liquidation at either: (i) fair value; or (ii) the present ownership instruments' proportionate share in the recognized amounts of the acquiree's identifiable assets.

In respect of subsidiary companies consolidated under the merger method of accounting, the Group has chosen to adopt the provisions of MFRS 3, *Business Combinations* prospectively, as permitted under the transitional provisions of MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*. Accordingly, the effects of the merger method of accounting under Malaysian Accounting Standard No. 2 have been retained.

Goodwill arising on the acquisition of subsidiary companies is presented separately in the statement of financial position. The goodwill is accounted for in accordance with the accounting policy set out in Note 2(k) to the financial statements.

Changes of Interests in Subsidiaries

The changes of interests in subsidiaries that do not result in a loss of control are treated as equity transactions between the Group and non-controlling interest holders. Any gain or loss arising from equity transactions is recognised directly in equity.

Loss of control

When the Group loses control of a subsidiary:

(i) It derecognises the assets and liabilities, non-controlling interests, and other amounts previously recognised in other comprehensive income relating to the former subsidiary.

(ii) It recognises any gain or loss in profit or loss attributable to the Group, which is calculated as the difference between (i) the aggregate of the fair value of the consideration received, if any, from the transaction, event or circumstances that resulted in the loss of control; plus any investment retained in the former subsidiary at its fair value at the date when control is lost; and (ii) the net carrying amount of assets, liabilities, goodwill and any non-controlling interests attributable to the former subsidiary at the date when control is lost.

(iii) It recognises any investment retained in the former subsidiary at its fair value when control is lost and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant MFRSs. That fair value shall be regarded as the fair value on initial recognition of a financial asset in accordance with MFRS 9 or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Investment in subsidiaries

A subsidiary company is an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible, are considered when assessing whether the Company has the power to govern the financial and operating policies of another entity.

In the Company's separate financial statements, investments in subsidiaries are measured at cost less impairment losses, if any. Impairment losses are charged to profit or loss.

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

(i) Equity accounting of jointly controlled entities

Jointly controlled entities are entities with contractually agreed sharing of control between the parties, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control, and the parties have rights to the net assets of the arrangement.

Investments in jointly controlled entities are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investments in jointly controlled entities are initially recognised at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the jointly controlled entities.

The Group's share of net profit or loss and changes recognised directly in the other comprehensive income of the jointly controlled entities are recognised in the consolidated statement of profit or loss and consolidated statement of comprehensive income, respectively.

An investment in a jointly controlled entity is accounted for using the equity method from the date on which the Group obtains joint control until the date the Group ceases to have a joint control over the jointly controlled entity.

Goodwill relating to a jointly controlled entity is included in the carrying value of the investment and it is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment.

Discount on acquisition is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the jointly controlled entity's profit or loss in the period in which the investment is acquired.

Unrealised gains or losses on transactions between the Group and its jointly controlled entities are eliminated to the extent of the Group's interest in the jointly controlled entities.

Equity accounting is discontinued when the carrying amount of the investment in a jointly controlled entity diminishes by virtue of losses to zero, unless the Group has legal or constructive obligations or made payments on behalf of the jointly controlled entity.

The results and reserves of jointly controlled entities are accounted for in the consolidated financial statements based on financial statements made up to the end of the financial year and prepared using accounting policies that conform to those used by the Group for like transactions in similar circumstances.

When the Group ceases to have joint control over a jointly controlled entity, any retained interest in the former jointly controlled entity is recognised at fair value on the date when joint control is lost. Any gain or loss arising from the loss of joint control over a jointly controlled entity is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Equity accounting of jointly controlled entities (continued)

In the Company's separate financial statements, investments in jointly controlled entities are measured at cost less impairment losses, if any. Impairment losses are recognised in profit or loss.

On disposal, the difference between the net disposal proceeds and the carrying amount of the jointly controlled entities disposed of is recognised in profit or loss.

(j) Non-controlling interests

Non-controlling interests at the reporting date, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and the owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(k) Intangible assets

(i) Goodwill on consolidation

Goodwill arising on business combinations is measured at cost less any accumulated impairment losses. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity accounted investee.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net fair value amount of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

For acquisitions before 1 January 2011, the Company elected not to restate those business combinations that occurred prior to 1 January 2011 (the date of transition to MFRSs), where goodwill recognised under FRS framework in Malaysia had been carried forward as at the date of transition.

Goodwill is not amortised but is tested for impairment annually and whenever there is an indication that it may be impaired.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Intangible assets (continued)

(ii) Other intangible assets

Intangible assets, other than goodwill, that are acquired by the Group, which have finite useful lives are measured at cost less any accumulated amortisation and any accumulated impairment losses. The amortisation period and amortisation method are reviewed at the reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying amount may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(l) Financial instruments

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

(i) Initial recognition and measurement

A financial instrument is recognised in the financial statements when, and only when, the Group becomes a party to the contractual provisions of the instrument.

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

(ii) Financial instrument categories and subsequent measurement

Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets or loans and receivables, as appropriate. Management determines the classification of the financial assets upon initial recognition depends on the nature and purpose of the financial assets. The Group does not hold held-to-maturity investments.

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement (continued)

Financial assets (continued)

(a) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market, and cash and bank balances are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method less allowance for impairment loss. Gains or losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process. Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months or normal operating cycle after the reporting date which are classified as non-current

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

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a derivative that is a designated and effective hedging instrument) or financial assets that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial assets categorised as fair value through profit or loss is subsequently measured at their fair values with the gain or loss recognised in profit or loss.

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

(c) Available-for-sale financial assets

Available-for-sale category comprises investment in equity and debt securities instruments that are not held for trading.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Other financial assets categorised as available-for sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income as item that may be subsequently reclassified to profit or loss, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss.

On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

cont'd

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement (continued)

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities at amortised cost.

Financial liabilities at fair value through profit or loss comprise financial liabilities that are held for trading, derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition. These financial liabilities are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

(iii) Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments such as forward currency contracts to manage its exposure to foreign currency risk. The Group applies hedge accounting for certain hedging relationships which qualify for hedge accounting. The Group has chosen to adopt the cash flow hedge.

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect the profit or loss. In a cash flow hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income, as items that might be subsequently reclassified to profit or loss, and the ineffective portion is recognised in profit or loss.

Subsequently, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss in the same period or periods during which the hedged forecast cash flows affect profit or loss. If the hedge item is a non-financial asset or liability, the associated gain or loss recognised in other comprehensive income is removed from equity and included in the initial amount of the asset or liability. However, loss recognised in other comprehensive income that will not be recovered in one or more future periods is classified from equity into profit or loss.

Cash flow hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated or exercised, the hedge is no longer highly effective, the forecast transaction is no longer expected to occur or the hedge designation is revoked. If the hedge is for a forecast transaction, the cumulative gain or loss on the hedging instrument remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, any related cumulative gain or loss recognised in other comprehensive income on the hedging instrument is reclassified from equity into profit or loss.

(iv) Derecognition of financial assets and liabilities

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

cont'd

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Financial instruments (continued)

(iv) Derecognition of financial assets and liabilities (continued)

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

(m) Leases

(i) As lessee

Finance lease, which transfers to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Finance leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Leases, where the Group does not assume substantially all the risks and rewards of ownership are classified as operating leases and the leased assets are not recognised on the statement of financial position. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

(ii) As lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees.

Amount due from lessees under finance leases are recognised as receivables as the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return of the Group's net investment outstanding in respect of the leases.

Leases where the Group retained substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

cont'd

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Hire purchases

Hire purchase assets are capitalised at the inception of the hire purchase at the purchase price of the assets. Any initial direct costs are also added to the amount capitalised. Hire purchase payments are apportioned between the finance charges and reduction of the hire purchase liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss.

Hire purchase assets are depreciated over the estimated useful life of the asset.

(o) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on either the specific identification basis or weighted average basis, depending on the nature of the inventories. Cost comprises the landed cost of goods purchased, other costs incurred in bringing the inventories to their present location and condition, and in the case of finished goods and work-in-progress, includes an appropriate proportion of factory overheads.

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

(p) Government grants

Government grants are recognised initially at their fair value in the statement of financial position as deferred income where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants that compensate the Group for expenses incurred are recognised as income over the periods necessary to match the grants on a systematic basis to the costs that it is intended to compensate.

(q) Share capital and share premium

Ordinary shares are recorded at nominal value and proceeds received in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Cost incurred directly attributable to the issuance of shares is accounted for as a deduction from share premium, if any, otherwise it is charged to profit or loss.

Dividends on ordinary shares are recognised in equity in the period in which they are declared.

Treasury shares

When shares of the Company that have been recognised as equity is repurchased, the amount of the consideration paid, included directly attributable costs, is recognised as a deduction from equity. Repurchased shares that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from total equity.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

(r) Foreign currencies

(i) Transactions and balances in foreign currencies

Transactions in currencies other than the functional currency are translated to the functional currency at the rate of exchange ruling at the date of the transaction.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Foreign currencies (continued)

(i) Transactions and balances in foreign currencies (continued)

Monetary items denominated in foreign currencies at the reporting date are translated at foreign exchange rates ruling at that date. Non-monetary items which are measured in terms of historical costs denominated in foreign currencies are translated at foreign exchange rates ruling at the date of the transaction. Non-monetary items which are measured at fair values denominated in foreign currencies are translated at the foreign exchange rates ruling at the date when the fair values were determined.

Exchange differences arising on the settlement of monetary items and the translation of monetary items are included in the profit or loss for the period. When a gain or loss on a non-monetary item is recognised directly in other comprehensive income, any corresponding exchange gain or loss is recognised directly in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any corresponding exchange gain or loss is recognised in profit or loss.

(ii) Translation of foreign operations

For consolidation purposes, all assets and liabilities of foreign operations that have a functional currency other than Ringgit Malaysia (including goodwill and fair value adjustments arising from the acquisition of the foreign operations) are translated at the exchange rates ruling at the reporting date. Income and expense items are translated at exchange rates approximating those ruling on transactions dates. All exchange differences arising from the translation of the financial statements of foreign operations are taken directly to other comprehensive income as items that may be subsequently reclassified to the profit or loss.

On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned or likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initial in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

(s) Impairment of financial assets

All financial assets (except for financial assets categorised as fair value through profit or loss) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment. If any such objective evidence exists, then the impairment loss of the financial asset is estimated.

(i) Assets carried at amortised cost

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015
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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Impairment of financial assets (continued)

(i) Assets carried at amortised cost (continued)

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 previously recognised impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal shall be recognised in profit or loss.

(ii) Financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses shall not be reversed.

(iii) Available-for-sale financial assets

An impairment loss in respect of available-for-sale financial assets is recognised in the profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity and recognised to profit or loss.

Impairment losses recognised in profit or loss for investment in an equity instrument is not reversed through the profit or loss. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss shall be reversed, with the amount of the reversal recognised in profit or loss.

(t) Impairment of non financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Impairment of non financial assets (continued)

(i) Goodwill

Goodwill is reviewed for impairment annually, or more frequently if events of changes in circumstances indicate that the carrying amount may be impaired. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units that are expected to benefit from synergies of the business combination. An impairment loss is recognised in profit or loss when the carrying amount of the cash-generating unit, including the goodwill, exceeds the recoverable amount of the cash-generating unit. Recoverable amount of the cash-generating unit is the higher of the cash-generating unit's fair value less cost to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset or cash-generating unit. The total impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the cash-generating unit and then to the other assets of the cash-generating unit proportionately on the basis of the carrying amount of each asset in the cash-generating unit on a pro rata basis. Impairment loss recognised on goodwill is not reversed in the event of an increase in recoverable amount in subsequent periods.

(ii) Property, plant and equipment, investments in subsidiary companies and jointly controlled entities

Property, plant and equipment, investments in subsidiary companies and jointly controlled entities are assessed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less cost to sell and its value in use.

An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are charged to profit or loss.

Any reversal of an impairment loss as a result of a subsequent increase in recoverable amount should not exceed the carrying amount that would have been determined (net of amortisation or depreciation, if applicable) had no impairment loss been previously recognised for the asset.

(u) Revenue and other income

Revenue is recognised when it is probable that economic benefits will flow to the Group and when the revenue can be measured reliably. Depending on the principal activities of the subsidiaries companies, income not derived from the ordinary activities of the entity is classified as other income.

Amounts collected on behalf of third parties such as sales taxes, goods and services taxes and value added taxes are not economic benefits which flow to the entity. They are excluded from revenue. In an agency relationship, the gross inflows of economic benefits include amounts collected on behalf of the principal are not revenue. Instead, revenue is the amount of commission and the net differential.

The bases for revenue and other income recognition are as follows:

(i) Sales of goods

Revenue from sales of goods is measured at the fair value of the consideration received or receivable, net of returns and discounts and is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the customers.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Revenue and other income (continued)

(ii) Services

Revenue from services rendered is recognised on an accrual basis as and when the services are rendered. Commission income (net differential) from principal-agent relationship is recognised on net basis as revenue.

(iii) Car rental income

Car rental income is recognised on a time proportion basis over the lease term.

(iv) Finance lease income

Income from finance lease transactions is recognised based on the sum-of-digits method. Where an account becomes non-performing, interest income is suspended until it is realised on a cash basis. An account is classified as non-performing where repayments are in arrears for more than six months.

(v) Interest income

Interest income is recognised on a time proportion basis using the effective interest rate applicable.

(vi) Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the specific tenure of the respective leases. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from subleased property is recognised as other income.

(vii) Dividend income

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

(viii) Premium income

Insurance premium income is recognized on the date of the assumption of risks.

(v) Employee benefits

(i) Short-term employee benefits

Wages, salaries, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the period in which the associated services are rendered by employees.

(ii) Post-employment benefits

(a) Defined contribution plan

The Group pays monthly contributions to the Employees Provident Fund ("EPF") which is a defined contribution plan.

The legal or constructive obligation of the Group is limited to the amount that it agrees to contribute to the EPF. Contributions to the EPF are charged to profit or loss in the period to which they relate.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Employee benefits (continued)

(ii) Post-employment benefits (continued)

(b) Defined benefit plan

The Group's net obligation in respect of its defined benefit plans is calculated by estimating the discounted present value of future benefit that employees have earned in return for their services in the current and prior periods.

The discount rate is the market yield at the reporting date on high quality corporate bonds. The calculation is performed by an independent firm of actuaries using the projected unit credit method once in 3 years in advance.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in other comprehensive income. The Group determines the net interest expense or income on the net defined liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments.

Net interest expense and other expenses relating to defined benefit plans are recognised in profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognised costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

(w) Borrowing costs

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

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

(x) Taxation and deferred taxation

The tax expense in profit or loss comprises current tax and deferred tax.

Current tax is an estimate of tax payable in respect of taxable profit for the year based on the tax rate enacted or substantially enacted at the reporting date and any adjustment to tax payable in respect of previous years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

cont'd

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(x) Taxation and deferred taxation (continued)

Deferred tax is recognised in full, based on the liability method, for taxation deferred in respect of all material temporary differences arising from differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised for the following temporary differences arising from the initial recognition of:

- Goodwill; or
- assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

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

Deferred tax is calculated at the tax rate that is expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Current and deferred tax is recognised as an income or an expense in profit or loss or is credited or charged directly to other comprehensive income if the tax relates to items that are credited or charged, whether in the same or different period, directly to other comprehensive income.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(y) Cash and cash equivalents

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

For the purposes of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and exclude fixed deposits pledged to secure banking facilities.

Cash and bank balances are categorised and measured as loans and receivables.

(z) Segmental reporting

Segment reporting in the financial statements is presented on the same basis as it is used by management internally for evaluating operating segment performance and in deciding how to allocate resources to each operating segment. Operating segments are distinguishable components of the Group that engage in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's results are reviewed regularly by the chief operating decision maker to decide how to allocate resources to the segment and assess its performance, and for which discrete financial information is available.

Segment revenue, expenses, assets and liabilities are those amounts resulting from operating activities of a segment that are directly attributable to the segment and a relevant portion that can be allocated on a reasonable basis to the segment.

Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(z) Segmental reporting (continued)

The total of segment asset is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the Board of Directors. Segment total asset is used to measure the return on assets of each segment.

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment, and intangible assets other than goodwill.

The Group does not use geographical segment as its main operations are in Malaysia.

(aa) Provision for outstanding claims

Allowance is made for estimated costs of all insurance claims, less reinsurance recoveries, in respect of claims notices but not settled at the reporting date. Allowance is also made for the costs of claims incurred but not reported at reporting date, estimated on the basis of the actual market claims experience.

(ab) Unearned premium reserves

Unearned premium reserves ("UPR") represent the portion of insurance premium income not yet earned at the reporting date. UPR is computed using the time apportionment method. The 1/12th method is used for all classes of Malaysian general policies business.

(ac) Contingent liabilities and contingent assets

When it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of an outflow of economic is remote. Possible obligation, whose existence will only be confirmed by occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of an outflow of economic benefit is remote.

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

In the acquisition of subsidiaries by the Group under business combinations, contingent liabilities assumed are measured initially at their fair value at the acquisition date, irrespective of the extent of any non-controlling interest.

(ad) Goods and services tax ("GST")

Revenue, expenses and assets are recognised net of GST, unless the GST is not recoverable from the tax authority. The amount of GST not recoverable from the tax authority is recognised as an expense or as part of cost of acquisition of an asset. Receivables and payables relate to such revenue, expenses or acquisitions of assets are presented in the statement of financial position inclusive of GST recoverable or GST payable.

GST recoverable from or payable to tax authority may be presented on net basis should such amounts are related to GST levied by the same tax authority and the taxable entity has a legally enforceable right to set off such amounts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

cont'd

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(ae) Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting date, taking into account the risks and uncertainties surrounding the obligations.

3. PROPERTY, PLANT AND EQUIPMENT

	at valuation			at cost						
Group	Freehold land	Leasehold land	Buildings	Plant, machinery and equipment	Machinery and equipment for hire	Furniture, fixtures, fittings and office equipment	Renovation	Coaches, motor vehicles for hire and other motor vehicles	Cars for hire	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost/Valuation										
1 January 2014	15,437	2,350	15,379	3,063	52,271	26,075	5,934	35,161	180,365	336,035
Additions	-	-	-	210	12,492	2,122	1,472	11,491	71,966	99,753
Disposals	-	-	-	-	(17,317)	(1,645)	(508)	(6,996)	(58,118)	(84,584)
Reclassifications	175	-	(175)	-	-	-	-	-	-	-
Revaluation	22,628	5,971	6,597	-	-	-	-	-	-	35,196
Write-off	-	-	-	-	(186)	(268)	(287)	-	-	(741)
Effects of movements in exchange rates	-	33	122	-	-	(15)	-	-	-	140
At 31 December 2014/1 January 2015	38,240	8,354	21,923	3,273	47,260	26,269	6,611	39,656	194,213	385,799
Additions	-	256	464	28	15,773	1,384	244	8,195	51,197	77,541
Disposals	-	-	-	-	(9,724)	(4,739)	(156)	(6,061)	(28,045)	(48,725)
Write-off	-	-	-	-	-	(12)	(259)	(73)	(1,192)	(1,536)
Effects of movements in exchange rates	-	551	152	-	-	13	-	-	-	716
At 31 December 2015	38,240	9,161	22,539	3,301	53,309	22,915	6,440	41,717	216,173	413,795

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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3. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	Freehold land	Leasehold land	Buildings	Plant, machinery and equipment	Machinery and equipment for hire	Furniture, fixtures, fittings and office equipment	Renovation	Coaches, motor vehicles for hire and other motor vehicles	Cars for hire	Total
	at valuation			at cost						
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Accumulated depreciation										
At 1 January 2014	-	504	3,190	1,984	27,137	21,356	2,639	14,386	62,680	133,876
Charge for the year	-	46	295	351	8,081	1,932	1,176	4,653	29,120	45,654
Disposals	-	-	-	-	(11,932)	(1,581)	(527)	(4,023)	(36,036)	(54,099)
Revaluation	-	(550)	(2,915)	-	-	-	-	-	-	(3,465)
Write-off	-	-	-	-	(170)	(204)	(215)	-	-	(589)
At 31 December 2014/1 January 2015	-	-	570	2,335	23,116	21,503	3,073	15,016	55,764	121,377
Charge for the year	-	108	614	362	8,456	1,828	1,331	5,102	31,848	49,649
Disposals	-	-	-	-	(6,797)	(4,660)	(146)	(3,703)	(16,432)	(31,738)
Write-off	-	-	-	-	-	(10)	(259)	(26)	(466)	(761)
At 31 December 2015	-	108	1,184	2,697	24,775	18,661	3,999	16,389	70,714	138,527
Impairment loss										
At 31 December 2014/2015	-	-	786	-	-	-	-	-	-	786
Net carrying amounts										
At 31 December 2014	38,240	8,354	20,567	938	24,144	4,766	3,538	24,640	138,449	263,636
At 31 December 2015	38,240	9,053	20,569	604	28,534	4,254	2,441	25,328	145,459	274,482

NOTES TO THE FINANCIAL STATEMENTS
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3. PROPERTY, PLANT AND EQUIPMENT (continued)

Company	Furniture, fixtures, fittings and office equipment	Motor vehicles	Total
	RM'000	RM'000	RM'000
Cost			
At 1 January 2014	529	1,331	1,860
Disposals	(111)	(1,331)	(1,442)
At 31 December 2014/1 January 2015	418	-	418
Disposals	(4)	-	(4)
At 31 December 2015	414	-	414
Accumulated depreciation			
At 1 January 2014	366	473	839
Charge for the year	44	67	111
Disposals	(72)	(540)	(612)
At 31 December 2014/1 January 2015	338	-	338
Charge for the year	33	-	33
Disposals	(4)	-	(4)
At 31 December 2015	367	-	367
Net carrying amount			
At 31 December 2014	80	-	80
At 31 December 2015	47	-	47

	Net carrying amount	
	2015	2014
	RM'000	RM'000
The Group's buildings are situated as follows:		
On leasehold land	3,252	3,012
On freehold land	16,847	17,075
In a multi-storey office complex with strata title	470	480
	20,569	20,567

As at 31 December 2015, the net carrying amount of cars for hire under hire purchase arrangements is RM46,688,142 (2014: RM46,665,882).

3. PROPERTY, PLANT AND EQUIPMENT (continued)

Property, plant and equipment under revaluation model

The Group's land and buildings under property, plant and equipment were revalued on 31 December 2014. The fair values of the land and buildings as at 31 December 2014 were based on valuations carried out during the financial year by Rahim & Co Chartered Surveyors Sdn Bhd and Agency For Real Estate Affairs, firms of independent professional valuers who have appropriate professional qualifications and recent experience in the relevant location and assets being valued. Fair values of land and buildings have been generally derived using the sales comparison and depreciated replacement cost approach and therefore are categorised as Level 2 in the fair value hierarchy. In the sales comparison approach, sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties. Depreciated replacement cost approach is based on how much it would cost to reproduce the property after adjusting for depreciation.

There is no transfer between levels of fair value hierarchy during the year.

Had the revalued property, plant equipment been carried under the cost model, the net carrying amount of each class of property, plant and equipment that would have been included in the financial statements of the Group as at 31 December 2015 would be as follows:

Group	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Total RM'000
Cost				
At 31 December 2014/1 January 2015	15,612	2,350	15,204	33,166
Additions	-	256	464	720
At 31 December 2015	15,612	2,606	15,668	33,886
Accumulated depreciation				
At 31 December 2014/1 January 2015	-	(550)	(2,915)	(3,465)
Charge for the year	-	(46)	(295)	(341)
At 31 December 2015	-	(596)	(3,210)	(3,806)
Net carrying amount				
31 December 2014	15,612	1,800	12,289	29,701
31 December 2015	15,612	2,010	12,458	30,080

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4. INVESTMENT PROPERTY

	Group	
	2015	2014
	RM'000	RM'000
At fair value:		
At 1 January	44,500	42,600
Changes in fair value for the year	1,300	1,900
At 31 December	45,800	44,500
Investment property comprises:		
Long term leasehold land	42,800	41,500
Buildings	3,000	3,000
	45,800	44,500

Investment property comprises a commercial property that is leased to related parties. Each of the leases contains an initial non-cancellable period of 2 years. Subsequent renewals are negotiated with lessee and on average renewal period are 2 years. No contingent rents are charged.

The following are recognised in profit or loss in respect of the investment property:

	Group	
	2015	2014
	RM'000	RM'000
Rental income	666	525
Direct operating expenses	133	136

The Group measures its investment property at fair value with any change in fair value is recognised in the profit or loss. The fair value of the investment property as at 31 December 2015 is based on a valuation carried out on 19 October 2015 by Rahim & Co Chartered Surveyors Sdn Bhd, a firm of independent professional valuers who have appropriate professional qualifications and recent experience in the relevant location and assets being valued. The fair value of the investment property was determined using comparison method and therefore is categorised as Level 2 in the fair value hierarchy.

The comparison method entails critical analyses of recent evidence of values of comparable properties in the neighbourhood and making adjustments for differences.

There is no transfer between levels of fair value hierarchy during the year.

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FOR THE YEAR ENDED 31 DECEMBER 2015
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5. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2015	2014
	RM'000	RM'000
Unquoted shares, at cost	203,365	196,465
Less: Accumulated impairment loss	(44,304)	(34,314)
	159,061	162,151

The subsidiary companies are as follows:

Name of subsidiary	Effective ownership and voting interest 2015 %	2014 %	Country of incorporation	Principal activities
Mayflower Car Rental Sdn Bhd (formerly known as Mayflower Acme Tours Sdn Bhd) +	100	100	Malaysia	Rental of cars and coaches and trading and marketing of motor vehicles
Mayflower Corporate Travel Services Sdn Bhd	100	100	Malaysia	Operation of inbound, outbound tours and provision of air-ticketing services
Mayflower Holidays Sdn Bhd	100	100	Malaysia	Operation of inbound, outbound tours and provision of air-ticketing services
Mayflower Holidays (Borneo) Sdn Bhd	100	100	Malaysia	Operation of inbound and outbound tours, rental of cars and coaches as well as air-ticketing services
MUV Marketplace Sdn Bhd +	100	100	Malaysia	Used vehicles auction services, vehicles inspection and certification
TCIM Sdn Bhd +	100	100	Malaysia	Distribution, sale and rental of material handling equipment, agriculture tractors, engine, construction equipment and parts as well as provision of after sales services
Jentrakel Sdn Bhd +	100	100	Malaysia	Rental and sale of industrial machinery and equipment
Angka-Tan Motor Sdn Bhd +	100	100	Malaysia	Assembly, distribution and sale of commercial and passenger vehicles

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
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5. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

Name of subsidiary	Effective ownership and voting interest 2015 %	2014 %	Country of incorporation	Principal activities
Kereta Komersil Seladang (M) Sdn Bhd	70	70	Malaysia	Manufacturing, assembly and sale of commercial and passenger vehicles
Tan Chong Apparels Manufacturer Sdn Bhd +	100	100	Malaysia	Manufacture of apparels
Tung Pao Sdn Bhd +	100	100	Malaysia	Distribution and sale of health care and consumer products
Warisan Captive Incorporated	100	100	Labuan Malaysia	Underwriting of captive Insurance
Grooming Expert Sdn Bhd +	100	100	Malaysia	Hairdressing salons and beauty parlours
WTC Automotif (M) Sdn Bhd	100	100	Malaysia	Assembly, distribution and sale of commercial vehicles
Mayflower-My 2nd Home (MM2H) Sdn Bhd	100	100	Malaysia	Provision of migration services
Warisan TC Management Services Sdn Bhd	100	100	Malaysia	Provision of management services
HairBiz College of Hairdressing Professionals Sdn Bhd +	100	100	Malaysia	Property holding
Comit Communication Technologies (M) Sdn Bhd +	100	100	Malaysia	Property holding
Belize Holdings Sdn Bhd +	100	100	Malaysia	Investment holding
Mayflower (Labuan) Pte Ltd	100	100	Labuan Malaysia	Investment holding
MAT (Labuan) Pte Ltd	100	100	Labuan Malaysia	Investment holding
Warisan Automotif Holdings Sdn Bhd	100	100	Malaysia	Dormant
ATM (Labuan) Pte Ltd	100	100	Labuan Malaysia	Dormant
Mayflower ITravel Sdn Bhd	100	100	Malaysia	Dormant
TCIM (Labuan) Pte Ltd	100	100	Labuan Malaysia	Dormant

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FOR THE YEAR ENDED 31 DECEMBER 2015
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5. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

Name of subsidiary	Effective ownership and voting interest 2015 %	2014 %	Country of incorporation	Principal activities
Warisan TC Automotive Manufacturers (M) Sdn Bhd	100	100	Malaysia	Dormant
Tan Chong Apparels Sdn Bhd +	100	100	Malaysia	Inactive
TCIM Esasia Sdn Bhd	70	70	Malaysia	Inactive
Excess Line Sdn Bhd	100	100	Malaysia	Inactive
MUV Solutions Sdn Bhd #	100	-	Malaysia	Dormant
TC Machinery Vietnam Pte Ltd *	100	100	Vietnam	Manufacturing, assembly, distribution, sale, maintaining and repairing of generator sets, air compressors, garage lifts and light duty cultivators
MAT Tours And Travel (Cambodia) Pte Ltd *^	100	100	Cambodia	Operation of inbound, outbound tours and provision of air ticketing services

+ *Subsidiary companies which are consolidated on the merger method of accounting*
# *Newly incorporated on 8 September 2015, unaudited*
* *Not audited by Mazars*
^ *Unaudited*

6. INVESTMENT IN JOINTLY CONTROLLED ENTITIES

	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Unquoted shares, at cost	17,356	17,356	24,568	24,568
Share of post-acquisition reserve	16,117	14,821	-	-
	33,473	32,177	24,568	24,568

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
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6. INVESTMENT IN JOINTLY CONTROLLED ENTITIES (continued)

The jointly controlled entities, all incorporated in Malaysia, are as follows:

Name	Effective ownership and voting interest 2015 %	2014 %	Principal activities
Wacoal Malaysia Sdn Bhd ("Wacoal")	50	50	Distribution and sale of ladies undergarments
Shiseido Malaysia Sdn Bhd ("Shiseido")**	50	50	Distribution and sale of cosmetics and consumer products

** *Not audited by Mazars*

	Group 2015 RM'000	2014 RM'000
Reconciliation of net assets to carrying amount as at 31 December		
Group's share of net assets	40,747	39,959
Elimination of unrealised profits	(7,274)	(7,782)
Carrying amount in the consolidated statement of financial position	33,473	32,177
Group's share of profit, net of tax	1,838	2,219
Other information		
Cash dividend received by the Group	1,054	1,735

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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6. INVESTMENT IN JOINTLY CONTROLLED ENTITIES (continued)

Summarised financial information of the jointly controlled entities is as follows:

	Wacoal		Shiseido	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Statements of financial position				
Current assets	29,253	27,897	63,295	62,516
Cash and bank balances	1,458	859	22,915	24,834
Non-current assets	5,972	6,265	16,529	14,617
Current liabilities	7,321	6,122	25,605	24,699
Current financial liabilities (excluding trade and other payables and provisions)	2,870	1,282	-	-
Non-current liabilities	119	114	511	442
Statements of profit or loss and other comprehensive income				
Revenue	40,346	42,369	101,604	93,484
Profit before tax	1,525	3,430	3,701	2,794
Other comprehensive income/(loss)	-	-	6	(10)
Total comprehensive income	979	2,490	2,700	1,963
Depreciation of property, plant and equipment	1,070	1,142	2,688	2,651
Interest income	366	253	503	513
Tax expense	546	940	1,005	821

7. INTANGIBLE ASSETS

	Goodwill		Group license		Total	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Group						
At 1 January/31 December	8,431	8,431	700	700	9,131	9,131

Impairment testing of goodwill

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

The above goodwill acquired has been allocated to the cash-generating units ("CGUs") of inbound, outbound tours and air-ticketing services.

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7. INTANGIBLE ASSETS (continued)

Recoverable amount based on value-in-use

The recoverable amount of the abovementioned CGUs is determined based on value-in-use calculations using cash flow projections covering five years. The growth rate used for the five-year cash flow projections is 5% per annum and the terminal value growth rate used is 3%.

The value-in-use was determined by discounting the future cash flows generated from the continuing use of the unit and was based on a pre-tax discount rate of 6.4%.

The values assigned to the key assumptions represent management's assessment of future trends in the mentioned industry and are based on both external sources and internal sources.

Sensitivity to changes in assumptions

In assessing the value-in-use, management is of the view that no foreseeable changes in any of the above key assumptions would cause the carrying value of the CGUs to materially exceed their recoverable amount.

8. DEFERRED TAX ASSETS/(LIABILITIES)

The components of the Group's and of the Company's deferred tax assets/(liabilities) are as follows:

	Assets		**Liabilities**		**Total**	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**
Group	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Property, plant and equipment	-	-	(20,470)	(19,244)	(20,470)	(19,244)
Investment property	-	-	(635)	(570)	(635)	(570)
Retirement benefit obligations	549	533	-	-	549	533
Tax loss carry forward	436	642	-	-	436	642
Other items	4,059	3,391	-	-	4,059	3,391
Deferred tax assets/(liabilities)	5,044	4,566	(21,105)	(19,814)	(16,061)	(15,248)
Offsetting	(3,295)	(3,238)	3,295	3,238	-	-
Net deferred tax assets/ (liabilities)	1,749	1,328	(17,810)	(16,576)	(16,061)	(15,248)

8. DEFERRED TAX ASSETS/(LIABILITIES) (continued)

Deferred tax assets on certain deductible temporary differences have not been recognised as the management believes that it is not probable that sufficient taxable profit in the foreseeable future will be available to allow all or part of the deferred tax assets to be utilised. The deductible temporary differences, the deferred tax benefits of which have not been recognised in the financial statements, are as follows:

	Group	
	2015	2014
	RM'000	RM'000
Unutilised tax losses	21,632	13,068
Unabsorbed capital allowances	6,003	3,545
Other temporary differences	2,926	1,864
Difference between net carrying amount and tax written down value of property, plant and equipment	(2,139)	(723)
	28,422	17,754

Movements of deferred taxes are as follows:

	At 1 January	Recognised in profit or loss *(Note 25)*	Recognised in other comprehensive income *(Note 26)*	At 31 December
	RM'000	RM'000	RM'000	RM'000
2015				
Group				
Property, plant and equipment	(19,244)	(1,226)	-	(20,470)
Investment property	(570)	(65)	-	(635)
Retirement benefit obligations	533	(23)	39	549
Tax loss carry forward	642	(206)	-	436
Other items	3,391	743	(75)	4,059
Deferred tax liabilities	(15,248)	(777)	(36)	(16,061)
Company				
Retirement benefit obligations	-	27	-	27
Deferred tax asset	-	27	-	27

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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8. DEFERRED TAX ASSETS/(LIABILITIES) (continued)

	At 1 January	Recognised in profit or loss *(Note 25)*	Recognised in other comprehensive income *(Note 26)*	At 31 December
	RM'000	RM'000	RM'000	RM'000
2014				
Group				
Property, plant and equipment	(18,446)	3,976	(4,774)	(19,244)
Investment property	(475)	(95)	-	(570)
Retirement benefit obligations	609	(87)	11	533
Tax loss carry forward	374	268	-	642
Other items	1,906	1,358	127	3,391
Deferred tax assets/(liabilities)	(16,032)	5,420	(4,636)	(15,248)
Company				
Property, plant and equipment	(151)	151	-	-
Retirement benefit obligations	46	(46)	-	-
Other items	42	(42)	-	-
Deferred tax assets/(liabilities)	(63)	63	-	-

9. FINANCE LEASE RECEIVABLES

	Group	
	2015	2014
	RM'000	RM'000
Finance lease instalments receivable:		
- not later than one year	5,934	5,893
- later than one year but not later than five years	2,410	6,033
	8,344	11,926
Unexpired term charges	(296)	(932)
Outstanding principal	8,048	10,994
Outstanding principal receivable not later than one year *(see Note 12)*	(5,684)	(5,387)
Outstanding principal receivable later than one year but not later than five years	2,364	5,607

The interest rate of the finance leases is 3% - 6% (2014: 3.48% - 6%) per annum depending on the amount financed and the tenure of the lease.

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FOR THE YEAR ENDED 31 DECEMBER 2015
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10. OTHER INVESTMENTS

	Group 2015 RM'000	Group 2014 RM'000
Classified as available-for-sale financial assets		
Unquoted shares, at cost	10	10

11. INVENTORIES

Group	2015 At cost RM'000	2015 At net realisable value RM'000	2015 Total RM'000	2014 At cost RM'000	2014 At net realisable value RM'000	2014 Total RM'000
Raw materials	785	-	785	748	74	822
Work-in-progress	109	-	109	40	-	40
Equipment and machinery	63,436	10,548	73,984	58,936	12,382	71,318
Trading inventories	1,560	56	1,616	551	117	668
Spare parts and workshop inventories	16,091	4,554	20,645	15,429	3,783	19,212
Commercial and passenger vehicles	27,231	-	27,231	35,191	-	35,191
CKD kits and accessories	19,719	-	19,719	22,720	-	22,720
	128,931	15,158	144,089	133,615	16,356	149,971

	Group 2015 RM'000	Group 2014 RM'000
Recognised in profit or loss:		
- Inventories recognised as cost of sales	250,413	217,421
- Inventories written down, net of write back	886	2,037

NOTES TO THE FINANCIAL STATEMENTS
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12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Gross trade receivables	133,341	117,316	-	-
Finance lease receivables *(see Note 9)*	5,684	5,387		
Allowance for doubtful debts	(4,271)	(4,284)	-	-
	134,754	118,419	-	-
Other receivables	6,217	5,708	-	-
GST recoverable	2,789	-	-	-
Sundry deposits	3,249	2,291	18	72
Prepayments	8,178	11,142	20	20
Subsidiary companies	-	-	10,543	14,030
Jointly controlled entities	-	858	-	15
Related parties	146	72	58	58
	155,333	138,490	10,639	14,195

Customers are generally granted credit periods of between 30 to 60 days (2014: 30 to 60 days). For major established customers, the credit terms may be extended to 120 days based on the discretion of the management.

The amounts owing by subsidiary companies are unsecured, non-trade receivables which are interest free and receivable on demand.

The amounts owing by jointly controlled entities are trade receivables which are unsecured, interest free and have a normal credit period of 30 to 60 days (2014: 30 to 60 days).

The amounts owing by related parties in which a director of the Company has substantial interest are non-trade in nature, unsecured, interest free and receivable on demand. Gross trade receivables include amounts owing by related parties amounting to RM618,000 (2014: RM506,000) which are trade in nature, unsecured, interest free and have a normal credit period of 60 to 120 days (2014: 60 to 120 days).

13. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

Forward foreign currency contracts are entered into by the Group in currencies other than the functional currency to manage exposure to the fluctuation in foreign currency rates. All forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward exchange contracts are rolled over at maturity.

	2015			2014		
	Nominal value	**Assets**	**Liabilities**	**Nominal value**	**Assets**	**Liabilities**
Group	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Derivatives used for hedging						
- Forward exchange contracts	19,418	118	(8)	11,693	108	(283)

14. CASH AND BANK BALANCES

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Short term deposits	20,709	17,062	180	772
Fixed deposits	25,314	33,469	143	138
Cash at bank and in hand	48,539	41,710	440	2,755
	94,562	92,241	763	3,665

The short term deposits represent investments in short term funds which are managed and invested into fixed income securities and money market instruments by fund management companies. The short term funds are readily convertible to cash.

Fixed deposits are placed with licensed banks with effective interest rates ranging from 0.3% to 3.58% (2014: 0.25% to 3.35%) per annum. All deposits had maturity periods of less than one year.

15. SHARE CAPITAL

	Group and Company	
	2015	**2014**
	RM'000	**RM'000**
Authorised:		
100,000,000 ordinary shares of RM1 each	100,000	100,000
Issued and fully paid:		
67,200,000 ordinary shares of RM1 each	67,200	67,200

16. TREASURY SHARES

	Group and Company			
	Number of shares		At cost	
	2015	**2014**	**2015**	**2014**
	'000	**'000**	**RM'000**	**RM'000**
At 1 January	2,097	2,095	4,206	4,201
Addition	1	2	3	5
At 31 December	2,098	2,097	4,209	4,206

The treasury shares have no rights to voting, dividends or participation in other distribution.

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17. RESERVES

Share premium

Share premium comprises the premium paid on subscription of shares in the Company over and above the par value of the shares

Merger reserve

Merger reserve arose from those subsidiaries identified in Note 5 which are consolidated on the merger method of accounting.

Translation reserve

Translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations to the Group's reporting currency.

Hedging reserve

Hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Revaluation reserve

(i) Revaluation reserve relates to the revaluation of property, plant and equipment which have been transferred to investment property; and

(ii) The valuation reserve is used to record changes in fair value of land and buildings measured under the revaluation model.

18. LOANS AND BORROWINGS (NON-CURRENT LIABILITIES)

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Bank term loans (unsecured)	56,811	69,672	-	2,162
Hire purchase payables	46,028	40,526	-	-
	102,839	110,198	-	2,162
Repayments due within the next 12 months *(see Note 21)*	43,367	49,457	-	2,162
Repayments due after 12 months but no later than five years	59,472	60,741	-	-

The bank term loans bear effective interest rates ranging from 3.85% to 5.2% (2014: 4.33% to 5.14%) per annum.

The hire purchase payables bear effective interest rates ranging from 2.83% to 4.8% (2014: 4.44% to 5.52%) per annum.

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18. LOANS AND BORROWINGS (NON-CURRENT LIABILITIES) (continued)

	Future minimum hire purchase payables 2015 RM'000	Future finance charges 2015 RM'000	Present value of minimum hire purchase payables 2015 RM'000	Future minimum hire purchase payables 2014 RM'000	Future finance charges 2014 RM'000	Present value of minimum hire purchase payables 2014 RM'000
Group						
Hire purchase payables:						
Less than one year *(see Note 21)*	28,057	1,936	26,121	19,386	1,540	17,846
Between one and five year	20,899	992	19,907	23,405	725	22,680
	48,956	2,928	46,028	42,791	2,265	40,526

19. RETIREMENT BENEFIT OBLIGATIONS

The Group and Company operate an unfunded defined benefit plan for employees whose entitlements are calculated by reference to their length of service and earnings. Provision for retirement benefits is calculated based on the predetermined rate of basic salaries and length of service of the employees.

The defined benefit plan exposes the Group and Company to actuarial risks such as longevity risk and interest rate risk.

The movements during the financial year and the amounts recognised in the statement of financial position are as follows:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Present value of unfunded obligations				
At 1 January	3,096	2,434	299	187
Included in profit or loss				
Current service cost	588	550	114	102
interest costs	182	143	18	11
	770	693	132	113
Included in other comprehensive income				
Actuarial loss/(gain):	163	43	113	(1)
Others				
Benefits paid	(205)	(74)	(114)	-
At 31 December	3,824	3,096	430	299

NOTES TO THE FINANCIAL STATEMENTS

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19. RETIREMENT BENEFIT OBLIGATIONS (continued)

The principal actuarial assumptions used in respect of the retirement benefit obligations were as follows:

	Group and Company	
	2015	2014
Discount rate	5.75-6.0%	5.75-6.0%
Expected rate of salary increases	6.5%	6.5%
Price inflation	2.5%	2.5%

Reasonably possible change at the reporting date to one of the relevant actuarial assumption, holding other assumptions constant, would have affected the retirement benefit obligations by the amounts shown below:

	2015		2014	
	Increase RM'000	Decrease RM'000	Increase RM'000	Decrease RM'000
Group				
Discount rate (1% movement)	(393)	461	(335)	395
Salary increase rate (1% movement)	433	(381)	337	(296)
Company				
Discount rate (1% movement)	(34)	40	(45)	53
Salary increase rate (1% movement)	35	(29)	52	(44)

Although the analysis does not account to the full distribution of cash flows expected under the plan, it provide an approximation of the sensitivity of the assumptions shown.

20. TRADE AND OTHER PAYABLES

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Trade payables	57,609	28,954	-	-
Other payables	12,192	10,311	90	600
GST payables	594	-	-	-
Deposits received	16,366	16,823	-	-
Accruals	18,107	22,555	259	270
Subsidiary companies	-	-	8,927	6,387
Jointly controlled entities	-	1	-	1
Related parties - trade	-	18,645	-	-
Related parties - non-trade	11,710	11,031	4,327	5,406
	116,578	108,320	13,603	12,664

20. TRADE AND OTHER PAYABLES (continued)

The normal credit periods granted by trade suppliers range from 30 to 120 days (2014: 30 to 120 days).

The amounts owing to subsidiary companies comprise non-trade payables which are unsecured and interest free except for an amount of RM3,200,000 (2014: RM3,200,000) which is subject to interest fixed at 3% (2014: 3%) per annum. The non-trade payables are payable on demand.

The related parties are companies in which a director of the Company has substantial interest. The amounts owing to the related parties are unsecured, interest free and payable on demand. Trade payable has a credit period of 90 days (2014: 90 days) and non-trade payables are payable on demand.

21. LOANS AND BORROWINGS (CURRENT LIABILITIES)

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current portion of:				
Bank term loans *(see Note 18)*	17,246	31,611	-	2,162
Hire purchase payables *(see Note 18)*	26,121	17,846	-	-
Bankers' acceptances	52,256	86,341	-	-
Revolving credits	148,000	83,000	-	-
Bank overdrafts	293	2,696	-	-
	243,916	221,494	-	2,162

The bankers' acceptances are unsecured and bear effective interest rates ranging from 3.85% to 4.69% (2014: 3.7% to 4.6%) per annum.

Revolving credits are unsecured and bear effective interest rates ranging from 3.98% to 4.68% (2014: 4.01% to 4.68%) per annum.

Bank overdraft is unsecured and bears effective interest rates at 7.1% (2014: 7.35%) per annum.

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22. REVENUE

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Dividends from subsidiary companies	-	-	7,375	14,366
Dividends from jointly controlled entities	-	-	1,054	1,735
Sales of goods	215,051	216,611	-	-
Sale proceeds from disposals of assets held for rental	18,445	35,444	-	-
Services rendered including car hire income	192,086	190,002	-	-
Finance lease income	851	515	-	-
Operating lease income				
- Machineries	16,031	13,798	-	-
- Investment property	666	525	-	-
Insurance premium income	2,813	2,409	-	-
	445,943	459,304	8,429	16,101

23. PROFIT FROM OPERATIONS

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Profit from operations is stated after charging:				
Allowance for doubtful debts	1,386	738	-	-
Auditors' remuneration	224	216	23	23
Bad debts written off	172	207	-	-
Depreciation of property, plant and equipment	49,649	45,654	33	111
Direct operating expenses on rental income generating investment property	133	136	-	-
Impairment in value of investment in subsidiary companies	-	-	9,990	5,069
Inventories written off/down	1,104	2,152	-	-
Loss on disposal of property, plant and equipment	188	1,906	-	61
Impairment loss on property, plant and equipment	-	786	-	-
Property, plant and equipment written off	775	152	-	-
Rental expense				
- land and buildings	2,411	3,373	-	-
- car park	641	86	-	-
- equipment	389	588	-	-
Retirement benefit expense	770	693	132	113
Loss on foreign exchange, net				
- Realised	55	-	-	-
- Unrealised	-	80	-	-

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23. PROFIT FROM OPERATIONS (continued)

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
and crediting:				
Reversal of allowance for doubtful debts	1,399	1,406	-	-
Gain on disposal of property, plant and equipment	400	1,845	-	9
Gain on disposals of assets held for rental	3,083	9,204	-	-
Gain on foreign exchange, net				
- Realised	-	125	-	-
- Unrealised	574	-	-	-
Gain on fair value adjustment on investment property	1,300	1,900	-	-
Dividend income from other unquoted investment	-	4	-	-
Inventories written back	218	115	-	-
Interest income				
- fixed deposits	1,534	1,798	58	66
- short term deposits	92	379	8	83
Rental income				
- investment property	666	525	-	-
- others	2,305	1,976	-	-

24. FINANCE COSTS

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Finance costs incurred on:				
Bank term loans	3,230	3,309	22	281
Bankers' acceptances	2,098	3,673	-	-
Revolving credits	5,025	3,394	-	-
Hire purchase	1,866	1,699	-	-
Others	63	112	96	96
	12,282	12,187	118	377

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25. TAX EXPENSE/(INCOME)

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Malaysian taxation based on results for the current year:				
- current	4,139	7,180	-	-
- deferred	(315)	(4,692)	-	(63)
	3,824	2,488	-	(63)
Under/(Over) provision in prior years:				
- current	(1,773)	318	-	10
- deferred	1,092	(728)	-	-
	3,143	2,078	-	(53)

The reconciliations between the tax expense and the product of accounting profit multiplied by the applicable tax rates are as follows:

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Accounting profit/(loss)	3,938	3,485	(4,285)	7,660
Tax at applicable Malaysian tax rate of 25% (2014: 25%)	985	871	(1,071)	1,915
Non-deductible expenses	4,831	6,268	3,172	2,016
Non-taxable income	(4,617)	(5,004)	(2,122)	(4,062)
Changes in unrecognised deferred tax assets	2,667	1,129	21	65
Effect of different tax rates in foreign subsidiaries	(20)	(480)	-	-
Effect of reduction in tax rate	(22)	(296)	-	3
(Over)/Under provision in prior years	(681)	(410)	-	10
Tax expense/(income) for the year	3,143	2,078	-	(53)

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26. OTHER COMPREHENSIVE INCOME

	2015			2014		
	Before tax RM'000	Tax effect RM'000	Net of tax RM'000	Before tax RM'000	Tax effect RM'000	Net of tax RM'000
<u>Group</u>						
Items that are or may be reclassified subsequently to profit or loss						
Net change in fair value of cash flow hedge	342	(75)	267	(509)	127	(382)
Foreign exchange differences from translation	3,011	-	3,011	765	-	765
	3,353	(75)	3,278	256	127	383
Items that will not be reclassified subsequently to profit or loss						
Remeasurement of retirement benefit obligation	(163)	39	(124)	(44)	11	(33)
Revaluation of property, plant and equipment	-	-	-	38,661	(4,774)	33,887
Share of gain of equity accounted investment	3	(1)	2	75	(22)	53
	(160)	38	(122)	38,692	(4,785)	33,907
	3,193	(37)	3,156	38,948	(4,658)	34,290

27. EARNINGS PER SHARE

The basic earnings per share has been calculated by dividing the Group's profit for the year attributable to shareholders of the Group by the weighted average number of shares in issue:

	Group	
	2015	2014
Profit attributable to shareholders of the Company (RM'000)	1,185	1,784
Weighted average number of ordinary shares ('000)		
At 1 January	65,104	65,119
Effect of treasury shares purchased	(1)	(15)
At 31 December	65,103	65,104
Basic earnings per share (sen)	1.82	2.74

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FOR THE YEAR ENDED 31 DECEMBER 2015
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28. DIVIDENDS

	Group and Company	
	2015	2014
	RM'000	RM'000
In respect of the financial year ended 31 December 2015:		
Interim single tier dividend of 2.5 sen paid on 30 September 2015	1,627	-
In respect of the financial year ended 31 December 2014:		
Final single tier dividend of 4.5 sen paid on 25 June 2015	2,930	-
Interim single tier dividend of 4.5 sen paid on 29 September 2014	-	2,929
In respect of the financial year ended 31 December 2013:		
Final single tier dividend of 4.5 sen paid on 26 June 2014	-	2,930
	4,557	5,859

At the forthcoming AGM, the directors proposed the payment of a final single tier dividend of 4.5 sen under the single tier tax system in respect of the financial year ended 31 December 2015 amounting to a dividend payable of approximately RM2.9 million. The financial statements for the current year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2016.

29. EMPLOYEE INFORMATION

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Employee costs	65,386	70,106	1,613	1,236
Included in the employee costs are:				
Employees Provident Fund contributions	7,216	6,778	241	185
Retirement benefit obligations	770	693	132	113

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30. RELATED PARTY DISCLOSURES

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

The Group has related party relationships with its direct and indirect subsidiaries, jointly controlled entities, and companies in which a director of the Company has substantial interest.

These related party transactions have been entered into in the normal course of business and have been established under negotiated terms.

Other than disclosed elsewhere in the notes to the financial statements, significant related party transactions during the financial year were as follows:

(a) Transactions with subsidiary companies

	Company	
	2015	**2014**
	RM'000	**RM'000**
Management fee expense	514	1,294
Interest expenses	96	96

(b) Transactions with jointly controlled entities

	Group	
	2015	**2014**
	RM'000	**RM'000**
Sales	1,047	3,406
Travel agency, car rental and workshop services	1,197	1,406
Purchases of products	119	76

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30. RELATED PARTY DISCLOSURES (continued)

(c) Transactions with Tan Chong Motor Holdings Berhad ("TCMH") and APM Automotive Holdings Berhad ("APM") groups, companies in which a director of the Company namely Dato' Tan Heng Chew is deemed to have substantial interests:

With TCMH group

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Sales	12,895	23,934	-	-
Travel agency, car rental and workshop services	5,081	3,391	-	-
Rental income	1,130	983	-	-
Purchase of trucks	1,361	1,728	-	-
Purchase of spare parts	1,241	1,179	-	-
Workshop services	1,953	1,252	-	-
Rental expenses	876	250	-	-
Purchases of property, plant and equipment	59,442	59,613	-	-
Insurance agency services	5,077	1,760	-	-
Administrative services	6,133	5,748	13	-
Assembly services	1,624	6,104	-	-
Inspection services	163	-	-	-
Hire purchase financing and leasing	25,573	41,397	-	-
Hire purchase interest	1,866	1,699	-	-

With APM group

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Sales	3	242	-	-
Travel agency, car rental and workshop services	2,281	2,238	-	-
Rental income	1,175	993	-	-
Purchase of spare parts	27	9	-	-
Workshop services	2	6	-	-
Rental expenses	34	52	-	-

Information regarding outstanding balances arising from related party transactions at reporting date is disclosed in the respective notes to the financial statements.

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31. COMPENSATION OF KEY MANAGEMENT PERSONNEL

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. Key management personnel comprises the Director (whether executive or otherwise) of the Company and certain senior management personnel of the Group.

Compensation paid to key management personnel during the year comprises:

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Directors:				
- Fees	166	166	166	166
- Remuneration	4,576	3,406	1,221	1,117
- other short term employee benefits (including estimated monetary value of benefits-in-kind)	143	87	-	-
- Employees Provident Fund	587	434	223	203
	5,472	4,093	1,610	1,486
Other key management personnel:				
- Remuneration	3,089	4,967	-	-
- Other short term employee benefits (including estimated monetary value of benefits-in-kind)	98	179	-	-
- Employees Provident Fund	339	583	-	-
	3,526	5,729	-	-

32. COMMITMENTS

	Group	
	2015	**2014**
	RM'000	**RM'000**
Capital expenditure commitments		
Property, plant and equipment		
Approved and contracted capital expenditure not provided for in the financial statements	3,006	25,324
Approved but not contracted capital expenditure not provided for in the financial statements	22,817	72,743

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32. COMMITMENTS (continued)

Operating lease commitments

The Group leases office premises from various parties under non-cancellable operating leases for its operations. The leases have tenures of between 1 and 5 years, with an option to renew after expiry. Any increase in lease payments is negotiated and normally reflects market rentals.

The future minimum lease payments under the above non-cancellable operating leases are as follows:

	2015 RM'000	2014 RM'000
Not later than one year	4,785	4,352
Later than one year but not later than five years	5,932	3,717
	10,717	8,069

33. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(i) Loans and receivables ("L&R");
(ii) Available-for-sale financial assets ("AFS");
(iii) Other financial liabilities measured at amortised cost ("OL"); and
(iv) Financial instruments at fair value through profit or loss ("FVPL").

33. FINANCIAL INSTRUMENTS (continued)

(a) Classification of financial instruments (continued)

	Carrying Amount RM'000	L&R RM'000	AFS RM'000	OL RM'000	FVPL RM'000
2015					
Financial assets:					
Group					
Other investments	10	-	10	-	-
Finance lease receivables	2,364	2,364	-	-	-
Trade and other receivables*	144,366	144,366	-	-	-
Derivative financial assets	118	-	-	-	118
Cash and bank balances	94,562	94,562	-	-	-
	241,420	241,292	10	-	118
Company					
Trade and other receivables*	10,619	10,619	-	-	-
Cash and bank balances	763	763	-	-	-
	11,382	11,382	-	-	-
Financial liabilities:					
Group					
Loans and borrowings	303,388	-	-	303,388	-
Trade and other payables**	115,984	-	-	115,984	-
Derivative financial liabilities	8	-	-	-	8
	419,380	-	-	419,372	8
Company					
Trade and other payables	13,603	-	-	13,603	-

* *Trade and other receivables exclude prepayments and GST recoverable*
** *Trade and other payables exclude GST payables*

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33. FINANCIAL INSTRUMENTS (continued)

(a) Classification of financial instruments (continued)

	Carrying Amount RM'000	L&R RM'000	AFS RM'000	OL RM'000	FVPL RM'000
2014					
Financial assets:					
Group					
Other investments	10	-	10	-	-
Finance lease receivables	5,607	5,607	-	-	-
Trade and other receivables*	127,348	127,348	-	-	-
Derivative financial assets	108	-	-	-	108
Cash and bank balances	92,241	92,241	-	-	-
	225,314	225,196	10	-	108
Company					
Trade and other receivables*	14,175	14,175	-	-	-
Cash and bank balances	3,665	3,665	-	-	-
	17,840	17,840	-	-	-
Financial liabilities:					
Group					
Loans and borrowings	282,235	-	-	282,235	-
Trade and other payables	108,320	-	-	108,320	-
Derivative financial liabilities	283	-	-	-	283
	390,838	-	-	390,555	283
Company					
Loans and borrowings	2,162	-	-	2,162	-
Trade and other payables	12,664	-	-	12,664	-
	14,826	-	-	14,826	-

* *Trade and other receivables exclude prepayments*

33. FINANCIAL INSTRUMENTS (continued)

(b) Fair value of financial instruments

The carrying amounts of the Group's and the Company's finance lease receivables, trade and other receivables, cash and bank balances, current loans and borrowings and trade and other payables approximate fair values due to the relatively short term nature of these financial instruments. It was not practicable to estimate the fair value of the Group's investment in unquoted shares due to the lack of comparable quoted market prices and the inability to estimate fair value without incurring excessive costs. The carrying amounts of finance lease receivables, bank term loans and hire purchase payables which are all subject to normal terms approximate their fair values.

The fair values of other financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

Level 2 - fair value of financial instruments

	Carrying amount RM'000	Fair value RM'000
2015		
Group		
Financial asset:		
Derivative financial assets	118	118
Financial liability:		
Derivative financial liabilities	(8)	(8)

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33. FINANCIAL INSTRUMENTS (continued)

(b) Fair value of financial instruments (continued)

The Company has no financial asset and liability measured at fair value as at 31 December 2015.

Level 2 – fair value of financial instruments

	Carrying amount RM'000	Fair value RM'000
2014		
Group		
Financial asset:		
Derivative financial assets	108	108
Financial liability:		
Derivative financial liabilities	(283)	(283)

The fair values of forward exchange contracts are estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate.

There is no transfer between levels of fair value hierarchy during the year.

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group has exposure to credit, liquidity, interest rate and foreign currency risks from its use of financial instruments:

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counter party default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables, and finance lease receivables. For other financial assets (including investment in securities, cash and bank balances and derivatives), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counter parties.

As at the end of the reporting year, the maximum exposure to credit risk arising from these financial assets is represented by the carrying amounts in the statement of financial position.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis resulting in the Group's exposure to bad debts insignificant. Any receivable having significant balances past due, which are deemed to have higher credit risk, are monitored individually.

The Company provides unsecured advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

At reporting date, the Group and the Company did not have any significant exposure to any individual customer or counter party or any major concentration of credit risk related to any financial asset.

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34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Credit risk (continued)

Aging analysis of trade receivables

The aging analysis of the Group's trade receivables, including finance lease receivables, is as follows:

	Gross RM'000	Individual impairment RM'000	Net RM'000
Group			
2015			
Not past due	75,597	-	75,597
Past due 1 to 30 days	27,808	-	27,808
Past due 31 to 120 days	16,213	-	16,213
Past due more than 120 days	21,771	(4,271)	17,500
	141,389	(4,271)	137,118
2014			
Not past due	68,172	-	68,172
Past due 1 to 30 days	26,912	-	26,912
Past due 31 to 120 days	20,280	(16)	20,264
Past due more than 120 days	12,946	(4,268)	8,678
	128,310	(4,284)	124,026

The movements in the allowance for impairment losses of trade receivables during the year were as follows:

	Group	
	2015 RM'000	2014 RM'000
At 1 January	4,284	4,952
Provision	1,386	738
Reversal	(1,399)	(1,406)
At 31 December	4,271	4,284

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34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and bank balances and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

Analysis of financial instruments by remaining contractual maturities

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

	Within one year RM'000	One to five years RM'000	Total RM'000
2015			
Group			
Trade and other payables	116,578	-	116,578
Loans and borrowings	264,847	46,661	311,508
Derivative financial liabilities	8	-	8
	381,433	46,661	428,094
Company			
Trade and other payables	13,603	-	13,603
2014			
Group			
Trade and other payables	108,320	-	108,320
Loans and borrowings	221,602	64,838	286,440
Derivative financial liabilities	283	-	283
	330,205	64,838	395,043
Company			
Trade and other payables	12,664	-	12,664
Loans and borrowings	2,184	-	2,184
	14,848	-	14,848

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Interest rate risk

The Group is exposed to interest rate risk which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

Exposure to interest rate risk related primarily to the Group's interest-bearing borrowings, short term deposits and fixed deposits.

The Group's policy is to borrow using a mix of fixed and floating rates. The objective is to reduce the impact of a rise in interest rates and to enable savings to be enjoyed if interest rates fall.

Surplus funds are placed with licensed financial institutions to earn interest income based on prevailing market rates. The Group manages its interest rate risk by placing such funds on short tenures of 12 months or less.

Sensitivity analysis for interest rate risk

A sensitivity analysis has been performed on the outstanding floating rate bank overdrafts and term loans of the Group as at the reporting date. An increase or decrease of 50 basis points in interest rates at the reporting date would decrease or increase post-tax profit by RM35,827 (2014: RM45,621), with all other variables remain constant.

(d) Foreign currency risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the functional currency of the Group. The major currencies giving rise to this risk are primarily United States Dollar ("USD"), Chinese Renminbi ("CNY"), Japanese Yen ("JPY"), Euro ("EUR"), and Vietnamese Dong ("VND"). Other currencies that contribute to this risk are Singaporean Dollar, Indonesian Rupiah, Pound Sterling, New Zealand Dollar, Australian Dollar, Hong Kong Dollar, Indian Rupee, Thailand Baht, South-Korean Won and Taiwan Dollar.

The Group hedges part of its foreign currency denominated trade receivables and trade payables. At any point in time the Group also hedges part of its estimated foreign currency exposure in respect of forecast sales and purchases over the following six months. The Group uses forward exchange contracts to hedge its foreign currency risk. All forward exchange contracts have maturities of less than one year after the end of the reporting year. Where necessary, the forward exchange contracts are rolled over at maturity.

The Group's exposure to foreign currency risk, based on carrying amounts as at the reporting date was:

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34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) Foreign currency risk (continued)

	2015					
	Denominated in					
	USD	**VND**	**CNY**	**JPY**	**EUR**	**Others**
Group						
In RM'000						
Trade receivables	1,400	-	1,648	2	56	-
Trade payables	(2,186)	(144)	(292)	(2,626)	(572)	(596)
Cash and bank balance	3,694	2,949	772	470	1	195
Net exposure	2,908	2,805	2,128	(2,154)	(515)	(401)

	2014					
	Denominated in					
	USD	**VND**	**CNY**	**JPY**	**EUR**	**Others**
Group						
In RM'000						
Trade receivables	1,019	-	792	53	369	2
Trade payables	(1,685)	-	(17)	(2,491)	(4)	(153)
Cash and bank balance	3,030	62	1,081	249	2	191
Net exposure	2,364	62	1,856	(2,189)	367	40

Sensitivity analysis for foreign currency risk

A sensitivity analysis has been performed on the outstanding foreign currency receivables and payables of the Group as at reporting date.

A 10 percent strengthening or weakening of the above mentioned foreign currencies against Ringgit Malaysia at the reporting date would decrease or increase post-tax profit by RM357,825 (2014: RM187,500) with all other variables remain constant.

35. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders returns.

The gearing ratios at 31 December are as follows:

	Group	
	2015	2014
	RM'000	RM'000
Loans and borrowings *(Notes 18 and 21)*	303,388	282,235
Less : Cash and bank balances *(Note 14)*	(94,562)	(92,241)
Net debt	208,826	189,994
Total equity	329,132	329,741
Gearing ratio	63%	58%

36. SEGMENTAL ANALYSIS

	Machinery		Travel and car rental		Automotive		Others		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment profit/(loss)	14,646	13,674	51,966	49,729	(2,380)	(4,100)	2,603	3,004	66,835	62,307
Included in the measure of segment profit are:										
Revenue from external customers	200,239	203,475	192,540	205,851	41,787	40,825	11,377	9,153	445,943	459,304
Inter-segment revenue	-	-	1,426	1,681	-	-	-	-	1,426	1,681
Impairment of property, plant and equipment	-	(786)	-	-	-	-	-	-	-	(786)
Inventories written back	-	-	-	-	-	-	218	115	218	115
Inventories written off/down	(917)	(2,152)	-	-	-	-	(187)	-	(1,104)	(2,152)
Share of profit of jointly controlled entities	-	-	-	-	-	-	1,838	2,219	1,838	2,219
Not included in the measure of segment profit but provided to Chief Executive Officer:										
Depreciation	(10,736)	(10,097)	(36,932)	(33,801)	(983)	(955)	(790)	(550)	(49,441)	(45,403)
Finance costs	(4,723)	(5,080)	(5,833)	(4,961)	(1,704)	(1,865)	-	-	(12,260)	(11,906)
Finance income	616	895	404	570	33	7	482	556	1,535	2,028
Income tax expense	759	(881)	(3,456)	(1,654)	(176)	256	(270)	(290)	(3,143)	(2,569)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
cont'd

36. SEGMENTAL ANALYSIS (continued)

	Machinery		Travel and car rental		Automotive		Others		Total	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Segment assets	269,932	257,943	298,235	285,042	68,742	69,898	95,920	89,472	732,829	702,355
Included in the measure of segment assets are:										
Additions to non-current assets other than financial instruments and deferred tax assets	18,630	15,331	58,392	82,456	65	731	280	42	77,367	98,560

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items:

	2015 RM'000	2014 RM'000
Profit or loss		
Total profit or loss for reportable segments	66,835	62,307
Depreciation	(49,649)	(45,654)
Finance costs	(12,282)	(12,187)
Finance income	1,626	2,177
Non-reportable segment expenses	(2,592)	(3,158)
Consolidated profit before tax	3,938	3,485

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
cont'd

36. SEGMENTAL ANALYSIS (continued)

	External revenue	Depreciation	Finance costs	Finance income	Segment assets	Additions to non-current assets
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2015						
Total reportable segments	445,943	(49,441)	(12,260)	1,560	732,829	77,367
Other non-reportable segments	-	(208)	(22)	66	4,490	174
Share of assets from equity accounted investments	-	-	-	-	33,473	-
Consolidated total	445,943	(49,649)	(12,282)	1,626	770,792	77,541
2014						
Total reportable segments	459,304	(45,403)	(11,906)	2,028	702,355	98,560
Other non-reportable segments	-	(251)	(281)	149	7,144	1,193
Share of assets from equity accounted investments	-	-	-	-	32,177	-
Consolidated total	459,304	(45,654)	(12,187)	2,177	741,676	99,753

37. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group	
	2015	2014
	RM'000	RM'000
Aggregate cost of property, plant and equipment acquired (see Note 3)	77,541	99,753
Finance via hire purchase	(25,573)	(41,202)
Net cash paid for acquisition of property, plant and equipment	51,968	58,551

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

cont'd

38. SUBSEQUENT EVENT

On 12 February 2016, Mayflower Acme Tours Sdn Bhd, a wholly-owned subsidiary of the Company entered into a conditional Sale and Purchase Agreement and conditional Subscription Agreements to respectively acquire 10,000 ordinary shares of RM1.00 each in GoCar Mobility Sdn Bhd ("GoCar") from Ideal Force Sdn Bhd and subscribe for 100,000 new ordinary shares of RM1.00 each in GoCar representing in aggregate 55% equity interest for a total consideration of RM450,000. The transaction was completed on 11 March 2016.

39. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 8 April 2016 by the Board of Directors.

40. DISCLOSURE OF REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of the retained profits of the Group and the Company as at 31 December 2015 into realised and unrealised profits or losses, pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Securities Berhad Main Market Listing Requirements, is as follows:

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Total retained profits				
Realised	241,285	234,416	162,385	161,323
Unrealised	(11,298)	11,740	(44,304)	(34,314)
	229,987	246,156	118,081	127,009
Total share of retained profits of jointly controlled entities				
Realised	15,271	14,455	-	-
Unrealised	905	366	-	-
	16,176	14,821	-	-
Add/(Less):Consolidation adjustments	11,363	(271)	-	-
Total retained profits as per statement of financial position	257,526	260,706	118,081	127,009

The determination of realised and unrealised profits or losses is compiled based on 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 Main Market Listing Requirements*, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

The disclosure of realised and unrealised profits or losses above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia Securities Berhad and should not be used for any other purposes.

STATEMENT BY DIRECTORS

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

In the opinion of the directors, the financial statements set out on pages 48 to 122 are drawn up:

(a) so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015 and of its financial performance and cash flows for the year then ended; and

(b) in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965.

In the opinion of the directors, the information set out in Note 40 to the financial statements has been compiled in accordance with the Guidance on Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements* as issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

Signed on behalf of the Board of Directors in accordance with a directors' resolution dated 8 April 2016

TAN KENG MENG
Director

DATIN LOW SUET MOI
Director

STATUTORY DECLARATION

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

I, Michael Wong Chung Hau, being the person primarily responsible for the financial management of Warisan TC Holdings Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 48 to 123 are correct.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared at)
Kuala Lumpur in the Federal Territory)
on 8 April 2016)
)
)
) **MICHAEL WONG CHUNG HAU**

Before me:

Kapt. (B) Jasni Bin Yusoff
No. W465
Commissioner for Oaths
(Pesuruhjaya Sumpah)
Kuala Lumpur

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting of Warisan TC Holdings Berhad ("Company") will be held at Pacific Ballroom, Level 2, Seri Pacific Hotel Kuala Lumpur, Jalan Putra, 50350 Kuala Lumpur, Malaysia on Thursday, 26 May 2016 at 11:00 a.m. to transact the following businesses:

As Ordinary Business

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

2. To declare a final single tier dividend of 4.5 sen for the financial year ended 31 December 2015. ***Resolution 2***

3. To re-elect Datuk Abdullah bin Abdul Wahab who is eligible and has offered himself for re-election, in accordance with Article 96 of the Company's Articles of Association, as a Director of the Company. ***Resolution 3***

4. To re-elect Datin Low Suet Moi who is eligible and has offered herself for re-election, in accordance with Article 76 of the Company's Articles of Association, as a Director of the Company. ***Resolution 4***

5. To consider and if thought fit, to pass the following resolution:

   "THAT pursuant to Section 129(6) of the Companies Act, 1965, Dato' Seow Thiam Fatt be and is hereby re-appointed as Director of the Company to hold office until the next annual general meeting, AND THAT he continues to be designated as an Independent Non-Executive Director of the Company." ***Resolution 5***

6. To re-appoint Messrs Mazars as Auditors of the Company and to authorise the Directors to fix their remuneration. ***Resolution 6***

As Special Business

To consider and if thought fit, to pass the following resolutions:

7. **PROPOSED GRANT OF AUTHORITY PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965**

   "THAT, subject always to the Companies Act, 1965 ("Act"), the Articles of Association of the Company and approvals and requirements of the relevant governmental/regulatory authorities (where applicable), the Directors be and are hereby empowered pursuant to Section 132D of the Act to allot and issue new ordinary shares of RM1.00 each in the Company, from time to time and upon such terms and conditions and for such purposes and to such persons whomsoever the Directors may, in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the issued and paid-up share capital (excluding treasury shares) for the time being of the Company AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company." ***Resolution 7***

NOTICE OF ANNUAL GENERAL MEETING
cont'd

8. **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

"THAT, subject to the Companies Act, 1965 ("Act"), the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to purchase such amount of ordinary shares of RM1.00 each in the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that the aggregate number of shares purchased and/or held pursuant to this resolution does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company at any point in time of the purchase.

THAT an amount not exceeding the Company's retained profits be allocated by the Company for the Proposed Share Buy-Back.

THAT authority be and is hereby given to the Directors of the Company to decide at their discretion to retain the shares so purchased as treasury shares (as defined in Section 67A of the Act) and/or to cancel the shares so purchased and/or to resell them and/or to deal with the shares so purchased in such other manner as may be permitted and prescribed by the Act, rules, regulations, guidelines, requirements and/or orders pursuant to the Act and/or the rules, regulations, guidelines, requirements and/or orders of Bursa Securities and any other relevant authorities for the time being in force.

THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution and will expire:

(i) at the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the said authority will lapse unless by an ordinary resolution passed at a general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;

(ii) at 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 an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any).

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Share Buy-Back as may be agreed or allowed by any relevant governmental and/or regulatory authorities." ***Resolution 8***

NOTICE OF ANNUAL GENERAL MEETING
cont'd

9. **PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH TAN CHONG MOTOR HOLDINGS BERHAD AND ITS SUBSIDIARIES**

"THAT, subject to the Companies Act, 1965 ("Act"), the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries ("WTCH Group") to enter into all arrangements and/or transactions with Tan Chong Motor Holdings Berhad and its subsidiaries involving the interest of Directors, major shareholders or persons connected with Directors and/or major shareholders of the WTCH Group ("Related Parties") including those as set out in Paragraph 3.3.1.1 of the Circular to Shareholders dated 29 April 2016 provided that such arrangements and/or transactions are recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders ("Shareholders' Mandate").

THAT such approval shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at a general meeting, the authority of the Shareholders' Mandate is renewed or the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act) or revoked or varied by a resolution passed by the shareholders in a general meeting, whichever is earlier.

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders' Mandate." ***Resolution 9***

10. **PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH APM AUTOMOTIVE HOLDINGS BERHAD AND ITS SUBSIDIARIES**

"THAT, subject to the Companies Act, 1965 ("Act"), the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries ("WTCH Group") to enter into all arrangements and/or transactions with APM Automotive Holdings Berhad and its subsidiaries involving the interest of Directors, major shareholders or persons connected with Directors and/or major shareholders of the WTCH Group ("Related Parties") including those as set out in Paragraph 3.3.1.2 of the Circular to Shareholders dated 29 April 2016 provided that such arrangements and/or transactions are recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders ("Shareholders' Mandate").

THAT such approval shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at a general meeting, the authority of the Shareholders' Mandate is renewed or the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act) or revoked or varied by a resolution passed by the shareholders in a general meeting, whichever is earlier.

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders' Mandate." ***Resolution 10***

11. To transact any other business of the Company of which due notice shall have been received.

NOTICE OF ANNUAL GENERAL MEETING
cont'd

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders at the Nineteenth Annual General Meeting of Warisan TC Holdings Berhad, a final single tier dividend of 4.5 sen for the financial year ended 31 December 2015 will be paid on 24 June 2016. The entitlement date shall be 3 June 2016.

A depositor shall qualify for the entitlement to the dividend only in respect of:

(1) shares transferred into the depositor's securities account before 4:00 p.m. on 3 June 2016 in respect of ordinary transfers; and

(2) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis in accordance with the rules of Bursa Malaysia Securities Berhad.

By Order of the Board
ANG LAY BEE (MAICSA 0825641)
CHANG PIE HOON (MAICSA 7000388)
Company Secretaries

Kuala Lumpur
29 April 2016

NOTES:

1. A depositor whose name appears in Record of Depositors of the Company as at 17 May 2016 ("Record of Depositors") shall be regarded as a member entitled to attend, speak and vote at the meeting.

2. A member, other than a member who is also an Authorised Nominee (as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA")) or an Exempt Authorised Nominee who is exempted from compliance with the provisions of Section 25A(1) of SICDA, shall be entitled to appoint not more than two (2) proxies to attend and vote for him at the meeting. A proxy need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149 (1)(a) and (b) of the Companies Act, 1965 shall not apply to the Company. A proxy appointed to attend and vote at a meeting of the Company shall have the same right as the member to speak at the meeting.

3. Subject to Note 6 below, where a member is a Depositor who is also an Authorised Nominee, the Authorised Nominee may appoint not more than two (2) proxies in respect of each securities account the Authorised Nominee holds with ordinary shares in the Company standing to the credit of such securities account as reflected in the Record of Depositors.

4. Subject to Note 6 below, where a member is a Depositor who is also an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as reflected in the Record of Depositors, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

5. Each appointment of proxy by a member including an Authorised Nominee or an Exempt Authorised Nominee shall be by a separate instrument of proxy which shall specify:

   (i) the securities account number;
   (ii) the name of the beneficial owner for whom the Authorised Nominee or Exempt Authorised Nominee is acting; and
   (iii) where two (2) proxies are appointed, the proportion of ordinary shareholdings or the number of ordinary shares to be represented by each proxy.

6. Any beneficial owner who holds ordinary shares in the Company through more than one (1) securities account and/or through more than one (1) omnibus account, shall be entitled to instruct the Authorised Nominee and/or Exempt Authorised Nominee for such securities accounts and/or omnibus accounts to appoint not more than two (2) persons to act as proxies of the beneficial owner. If there shall be three (3) or more persons appointed to act as proxies for the same beneficial owner of ordinary shares in the Company held through more than one (1) securities account and/or through more than one (1) omnibus account, all the instruments of proxy shall be deemed invalid and shall be rejected.

NOTICE OF ANNUAL GENERAL MEETING
cont'd

7. Where the Form of Proxy is executed by a corporation, it must be executed under seal or under the hand of an officer or attorney duly authorised.

8. The Form of Proxy must be deposited at the office of the Company's Share Registrar, **Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia (Tel: 03-2783 9299)** not less than forty-eight hours before the time appointed for the meeting.

EXPLANATORY NOTES ON ORDINARY/SPECIAL BUSINESS

(1) **Resolution 5 - Re-appointment of Dato' Seow Thiam Fatt as Director pursuant to Section 129(6) of the Companies Act, 1965 ("Act") and his designation as Independent Non-Executive Director**

In accordance with Section 129 of the Act, the office of a Director of public company who is of or over the age of 70 years, shall become vacant at the conclusion of the 19th Annual General Meeting unless he is re-appointed under Section 129(6) of the Act.

Pursuant to the Malaysian Code on Corporate Governance 2012, it is recommended that approval of shareholders be sought in the event that the Company intends to retain the independent director who has served in that capacity for more than nine (9) years.

Following an assessment and recommendation by the Nominating Committee, the Board recommended that Dato' Seow Thiam Fatt, who is over the age of 70 years and has served as an Independent Non-Executive Director ("INED") for a cumulative term of more than nine (9) years, be re-appointed as a Director and he continues to be designated as INED of the Company, subject to the shareholders' approval at the forthcoming Annual General Meeting. Key justifications for retaining Dato' Seow as INED are as follows:

(i) he fulfils the criteria under the definition on Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, therefore, is able to bring independent and objective judgement to the Board;
(ii) his experience in the relevant industries enable him to provide the Board and Audit Committee, as the case may be, with pertinent expertise, skills and competence;
(iii) he has been with the Company long and therefore understands the Company's business operations which enable him to contribute actively and effectively during deliberations at Audit Committee and Board meetings; and
(iv) he devotes sufficient time and exercise due care as an Independent Director of the Company and carries out his duty in the interest of the Company and shareholders.

(2) **Resolution 7 - Proposed Grant of Authority Pursuant to Section 132D of the Act**

The Company continues to consider opportunities to broaden the operating base and earnings potential of the Company. If any of the expansion or diversification proposals involve the issue of new shares, the Directors of the Company, under normal circumstances, would have to convene a general meeting to approve the issue of new shares even though the number involved may be less than 10% of the issued and paid-up share capital of the Company.

To avoid delay and cost involved in convening a general meeting to approve such issue of shares, the Directors of the Company had obtained the general mandate at the Company's 18th Annual General Meeting held on 28 May 2015 to allot and issue shares in the Company up to an amount not exceeding in total 10% of the issued and paid-up share capital (excluding treasury shares) of the Company for the time being, for such purpose. The Company has not issued any new shares under the general mandate granted to the Directors at the 18th Annual General Meeting which will lapse at the conclusion of the 19th Annual General Meeting to be held on 26 May 2016.

A renewal of the mandate is being sought at the 19th Annual General Meeting under proposed Resolution 7. The renewed mandate, unless revoked or varied at a general meeting, shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

(3) **Resolution 8 - Proposed Share Buy-Back**

The proposed Resolution 8, if passed, will empower the Directors of the Company to purchase and/or hold up to 10% of the issued and paid-up share capital of the Company ("Proposed Share Buy-Back") by utilising the funds allocated which shall not exceed the retained profits of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

Further information on the Proposed Share Buy-Back is set out in the Circular to Shareholders dated 29 April 2016 despatched together with the Company's 2015 Annual Report.

NOTICE OF ANNUAL GENERAL MEETING
cont'd

(4) **Resolutions 9 and 10 - Proposed Shareholders' Mandate for Recurrent Related Party Transactions**

The proposed Resolutions 9 and 10, if passed, will enable the Company and/or its subsidiaries to enter into recurrent transactions involving the interest of related parties, which are of a revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of the minority shareholders of the Company.

Further information on Resolutions 9 and 10 are set out in the Circular to Shareholders dated 29 April 2016 despatched together with the Company's 2015 Annual Report.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 19^{th} Annual General Meeting of the Company ("AGM") and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

WARISAN TC HOLDINGS BERHAD (424834-W)
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.

I/We ____ *(name of shareholder, in capital letters)*

NRIC No./Company No. __________________________ *(new)* __________________ *(old)*

of ____ *(full address)*

telephone no. _________________________ being a member(s) of WARISAN TC HOLDINGS BERHAD,

hereby appoint _________________________________ *(name of proxy as per NRIC, in capital letters)*

NRIC No. __________________________ *(new)* ____________________ *(old)* and/or

____ *(name of proxy as per NRIC, in capital letters)*

NRIC No. __________________________ *(new)* ______________ *(old)* or failing him/her,

the Chairman of the meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Nineteenth Annual General Meeting of the Company to be held at Pacific Ballroom, Level 2, Seri Pacific Hotel Kuala Lumpur, Jalan Putra, 50350 Kuala Lumpur, Malaysia on Thursday, 26 May 2016 at 11:00 a.m., and at any adjournment thereof, as indicated below:

		For	Against
Resolution 1	Financial Statements and Reports of the Directors and Auditors		
Resolution 2	Final Single Tier Dividend		
Resolution 3	Re-election of Datuk Abdullah bin Abdul Wahab as Director		
Resolution 4	Re-election of Datin Low Suet Moi as Director		
Resolution 5	Re-appointment of Dato' Seow Thiam Fatt as Director in accordance with Section 129(6) of the Companies Act, 1965 and his designation as an Independent Non-Executive Director		
Resolution 6	Re-appointment of Messrs Mazars as Auditors		
Resolution 7	Proposed Grant of Authority pursuant to Section 132D of the Companies Act, 1965		
Resolution 8	Proposed Renewal of Authority for the Company to purchase its own ordinary shares		
Resolution 9	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Tan Chong Motor Holdings Berhad and its subsidiaries		
Resolution 10	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with APM Automotive Holdings Berhad and its subsidiaries		

(Please indicate with an "X" in the spaces provided how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion.)

____
Signature/Common Seal

Number of shares held: ________________

Date: ________________

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

	No. of shares	Percentage
Proxy 1	____________	%
Proxy 2	____________	%
Total		100%

Notes:

1. A depositor whose name appears in Record of Depositors of the Company as at 17 May 2016 ("Record of Depositors") shall be regarded as a member entitled to attend, speak and vote at the meeting.

2. A member, other than a member who is also an Authorised Nominee (as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA")) or an Exempt Authorised Nominee who is exempted from compliance with the provisions of Section 25A(1) of SICDA, shall be entitled to appoint not more than two (2) proxies to attend and vote for him at the meeting. A proxy need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149 (1)(a) and (b) of the Companies Act, 1965 shall not apply to the Company. A proxy appointed to attend and vote at a meeting of the Company shall have the same right as the member to speak at the meeting.

3. Subject to Note 6 below, where a member is a Depositor who is also an Authorised Nominee, the Authorised Nominee may appoint not more than two (2) proxies in respect of each securities account the Authorised Nominee holds with ordinary shares in the Company standing to the credit of such securities account as reflected in the Record of Depositors.

4. Subject to Note 6 below, where a member is a Depositor who is also an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as reflected in the Record of Depositors, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

5. Each appointment of proxy by a member including an Authorised Nominee or an Exempt Authorised Nominee shall be by a separate instrument of proxy which shall specify:

   (i) the securities account number;

   (ii) the name of the beneficial owner for whom the Authorised Nominee or Exempt Authorised Nominee is acting; and

   (iii) where two (2) proxies are appointed, the proportion of ordinary shareholdings or the number of ordinary shares to be represented by each proxy.

6. Any beneficial owner who holds ordinary shares in the Company through more than one (1) securities account and/or through more than one (1) omnibus account, shall be entitled to instruct the Authorised Nominee and/or Exempt Authorised Nominee for such securities accounts and/or omnibus accounts to appoint not more than two (2) persons to act as proxies of the beneficial owner. If there shall be three (3) or more persons appointed to act as proxies for the same beneficial owner of ordinary shares in the Company held through more than one (1) securities account and/or through more than one (1) omnibus account, all the instruments of proxy shall be deemed invalid and shall be rejected.

7. Where the Form of Proxy is executed by a corporation, it must be executed under seal or under the hand of an officer or attorney duly authorised.

8. The Form of Proxy must be deposited at the office of the Company's Share Registrar, **Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia (Tel: 03-2783 9299)** not less than forty-eight hours before the time appointed for the meeting.

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Tricor Investor & Issuing House Services Sdn Bhd (12969-P)
Registrar for **WARISAN TC HOLDINGS BERHAD** (424834-W)
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia

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Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 19th Annual General Meeting of the Company ("AGM") and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PERSONAL DATA PROTECTION NOTICE

This Personal Data Protection Notice ("Notice") is issued to all shareholders (including substantial shareholders) ("Shareholders") of WARISAN TC HOLDINGS BERHAD ("Company", "WTCH", "we", "us" or "our") in accordance with the Personal Data Protection Act 2010 ("Act") which came into force on 15 November 2013. The Act regulates the processing of personal data and requires us to notify you on matters relating to your personal data that is being processed, or that is to be collected and further processed by us. For the purpose of this Notice, the terms "personal data" and "processing" used in this Notice shall have the meaning prescribed in the Act.

Bursa Malaysia Securities Berhad ("Bursa Malaysia") has also on 15 November 2013 amended the Main Market Listing Requirements ("Listing Requirements") consequential to the Act. Under Paragraph 2.14A of the Listing Requirements, any person who provides or has provided personal data to Bursa Malaysia should read and be aware of Bursa Malaysia's personal data notice available at Bursa Malaysia's website www.bursamalaysia.com ("Bursa Malaysia's personal data notice"). If the Company provides Bursa Malaysia with personal data of the Shareholders, the Company must notify the Shareholders of Bursa Malaysia's personal data notice.

As Shareholders of WTCH, your personal data which may include your name, national registration identity card number (NRIC no.), passport number, address, date of birth/age, contact details and number, email address, gender, nationality, shareholding in WTCH, bank account number, CDS account number and any other personal data required, may be processed by WTCH and its related companies ("WTCH Group") for the following purposes ("Purposes"):

(a) Compliance with the Companies Act, 1965, Listing Requirements and applicable relevant laws, regulations and guidelines, as may be amended, from time to time;

(b) Verification of information to authorities and governmental agencies;

(c) Deliver, communicate and transmit to the Shareholders of WTCH's annual report, circular to shareholders, and any other information through modes of communication and delivery we deem appropriate;

(d) Payment of dividends and giving of other benefits to you as Shareholders, if applicable;

(e) Maintain, upkeep and update our records regarding our Shareholders' information; and

(f) Dealings with all matters in connection with your shareholding in the WTCH; or such other purposes as may be related to the foregoing.

The personal data processed by us include all information you have provided to us as well as other information we may obtain about you.

Your personal data may be disclosed by us in connection with the Purposes to parties including but not limited to companies within WTCH Group (whether present or future), our professional advisers, insurance companies, auditors, lawyers, banks, share registrars and other service providers, governmental and/or quasi-governmental departments and/or agencies, regulatory and/or statutory bodies and third parties as may be required by law or arising from any legal obligations which is imposed on WTCH Group. Your personal data may be transferred to a place outside Malaysia.

If you fail to supply to us your personal data, we may not be able to process your personal data for any of the Purposes.

We are committed to ensuring that your personal data is stored securely. You are responsible for ensuring that the personal data you provide to us is accurate, complete and not misleading and that such personal data is kept up to date.

Please also be notified that you have the right to request access to and correction of your personal data and you have a choice to limit the consent of the processing of your personal data.

Your written requests or queries pertaining to your personal data should be addressed to:

Company Secretaries
Warisan TC Holdings Berhad
62-68 Jalan Sultan Azlan Shah
51200 Kuala Lumpur
Tel No. : 03-4047 8888
Facsimile : 03-4047 8636
Email address : corporate@warisantc.com

By providing to us your personal data, you hereby consent to the processing of your personal data in accordance with all of the foregoing. You shall also procure the consent of your proxy appointed to attend any general meeting of WTCH on your behalf whose personal data is provided to us by you for any purpose relating to the general meeting.

In accordance with the Act, the Notice is issued in both English and Bahasa Malaysia. In the event of inconsistency between the English version and the Bahasa Malaysia version, the English version shall prevail.

Issued by : Warisan TC Holdings Berhad
29 April 2016

NOTIS PERLINDUNGAN DATA PERIBADI

Notis Perlindungan Data Peribadi ini ("Notis") dikeluarkan kepada semua pemegang saham (termasuk pemegang-pemegang saham utama)("Pemegang Saham") WARISAN TC HOLDINGS BERHAD ("Syarikat", "WTCH" atau "kami") menurut Akta Perlindungan Data Peribadi 2010 ("Akta") yang berkuatkuasa pada 15hb November 2013. Akta ini mengawal selia pemprosesan data peribadi dan menghendaki kami untuk memaklumkan anda berkenaan perkara-perkara yang berkaitan dengan data peribadi anda yang sedang diproses, atau yang akan dikumpul dan diproses oleh kami. Untuk tujuan Notis ini, terma-terma "data peribadi" dan "pemprosesan" yang digunakan dalam Notis ini hendaklah membawa maksud sepertimana yang ditakrifkan dalam Akta tersebut.

Bursa Malaysia Securities Berhad ("Bursa Malaysia") telah membuat pindaan kepada Keperluan Penyenaraian Pasaran Utama ("Keperluan Penyenaraian") pada 15hb November 2013 akibat daripada Akta ini. Seperti yang tertakluk di bawah perenggan 2.14A Keperluan Penyenaraian, sesiapa yang memberi atau telah memberi data peribadi kepada Bursa Malaysia, haruslah membaca dan menyedari tentang notis data peribadi Bursa Malaysia yang terdapat di laman web Bursa Malaysia di www.bursamalaysia.com ("Notis data peribadi Bursa Malaysia"). Sekiranya Syarikat membekalkan data peribadi Pemegang Saham kepada Bursa Malaysia, Syarikat mesti memaklumkan Pemegang Saham tentang notis data peribadi Bursa Malaysia.

Sebagai Pemegang Saham WTCH, data peribadi anda mungkin termasuk nama, nombor kad pengenalan, nombor pasport, alamat, tarikh lahir/umur, maklumat dan nombor perhubungan, alamat emel, jantina, kewarganegaraan, pegangan saham dalam WTCH, nombor akaun bank, nombor akaun Sistem Depositori Pusat (CDS) anda dan data peribadi lain yang dikehendaki, yang mungkin diproses oleh WTCH dan syarikat-syarikat yang berkaitan dengannya ("Kumpulan WTCH") untuk tujuan-tujuan berikut ("Tujuan"):

(a) Mematuhi Akta Syarikat 1965, Keperluan Penyenaraian dan undang-undang, peraturan-peraturan dan garis panduan berkaitan yang mungkin dipinda dari semasa ke semasa;

(b) Pengesahan maklumat kepada pihak berkuasa dan agensi kerajaan;

(c) Menyampaikan, menghubungi dan menghantar laporan tahunan WTCH, pekeliling kepada Pemegang Saham, dan lain-lain maklumat kepada Pemegang Saham melalui cara komunikasi dan penyampaian yang kami anggap sesuai;

(d) Pembayaran dividen dan manfaat lain kepada anda sebagai Pemegang Saham, jika berkenaan;

(e) Mengekal, menyelia dan mengemaskinikan rekod kami yang berkaitan dengan maklumat-maklumat Pemegang Saham; dan

(f) Untuk berurusan dengan semua perkara yang berkaitan dengan pegangan saham anda dalam WTCH; atau bagi tujuan-tujuan lain yang mungkin berkaitan dengan perkara-perkara yang dinyatakan di atas.

Data peribadi anda yang diproses oleh kami merangkumi segala maklumat yang diberi oleh anda serta maklumat lain yang mungkin kami perolehi berkenaan anda.

Maklumat peribadi anda mungkin dizahirkan oleh kami untuk Tujuan di atas kepada pihak lain termasuk dan tidak terhad kepada syarikat-syarikat dalam Kumpulan WTCH (sama ada pada masa kini atau masa depan), penasihat profesional, syarikat-syarikat insurans, juruaudit, peguam, bank, pendaftar saham dan pembekal perkhidmatan lain, semua jabatan dan/atau agensi kerajaan dan/atau kuasi-kerajaan, badan-badan penguatkuasa dan/atau berkanun dan sebarang pihak ketiga, sebagaimana yang dikehendaki undang-undang atau timbul daripada apa-apa kewajipan undang-undang yang dikenakan ke atas Kumpulan WTCH. Data peribadi anda mungkin akan dipindahkan ke suatu tempat di luar Malaysia.

Sekiranya anda gagal membekalkan data peribadi anda kepada kami, kami mungkin tidak dapat memproses data peribadi anda bagi mana-mana Tujuan tersebut.

Kami akan memastikan semua data peribadi anda disimpan dengan selamat. Anda bertanggungjawab untuk memastikan bahawa data peribadi yang anda berikan kepada kami adalah tepat, lengkap, tidak mengelirukan dan dikemaskini.

Adalah dimaklumkan bahawa anda mempunyai hak untuk meminta akses dan membetulkan data peribadi anda atau menghadkan pemprosesan data peribadi anda.

NOTIS PERLINDUNGAN DATA PERIBADI

Bersambungan

Setiap permintaan bertulis atau pertanyaan berkenaan data peribadi anda perlu disampaikan ke alamat di bawah:

Setiausaha-setiausaha Syarikat
Warisan TC Holdings Berhad
62-68 Jalan Sultan Azlan Shah
51200 Kuala Lumpur
Tel No. : 03-4047 8888
Faks : 03-4047 8636
Alamat Emel : corporate@warisantc.com

Dengan membekalkan data peribadi anda kepada kami, bermaksud anda bersetuju membenarkan kami memproses data peribadi anda selaras dengan apa-apa yang dinyatakan di atas. Anda juga harus mendapatkan persetujuan proksi yang dilantik untuk menghadiri apa-apa mesyuarat agung WTCH bagi pihak anda sekiranya data peribadi mereka dibekalkan oleh anda kepada kami untuk apa-apa tujuan yang berkaitan dengan mesyuarat agung.

Mengikut Akta tersebut, Notis ini diterbitkan dalam Bahasa Inggeris dan Bahasa Malaysia. Sekiranya terdapat sebarang ketidakseragaman atau percanggahan di antara versi Bahasa Inggeris dan Bahasa Malaysia, versi Bahasa Inggeris akan diguna pakai.

Dikeluarkan oleh : Warisan TC Holdings Berhad
29 April 2016

WARISAN TC HOLDINGS BERHAD(424834-W)

62-68 Jalan Sultan Azlan Shah
51200 Kuala Lumpur

Tel : 03 4047 8888
Fax : 03 4047 8636
Email : corporate@warisantc.com