

Financial Statements

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Directors'

Report

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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 January 2016.

PRINCIPAL ACTIVITIES

The Company's principal activities are investment holding and provision of corporate and management services to the Group. All other operational activities of the Group are undertaken by respective subsidiaries as disclosed in Note 6 to the financial statements.

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

FINANCIAL RESULTS

	GROUP RM	COMPANY RM
Net profit after taxation attributable to owners of the parent	11,456,026	869,595

DIVIDENDS

No dividends have been paid or declared by the Company since the end of the previous financial year.

The Directors do not recommend the payment of any dividend for the current year.

ISSUE OF SHARES AND DEBENTURES

Except for the issuance of the following shares by the Company, there were no issues of debentures during the financial year.

- (a) 260,790,000 ordinary shares of RM0.10 each via the exercise of Employee Share Options Scheme at an exercise price of RM0.13 per share.
- (b) 13,000,000 ordinary shares of RM0.10 each via the exercise of Employee Share Options Scheme at an exercise price of RM0.61 per share.
- (c) 2,315,152,386 ordinary shares of RM0.10 each via a right issue exercise undertaken at an exercise price of RM0.10 per share.
- (d) 21,566,899 ordinary shares of RM0.10 each via conversion of warrants 2008/2018 (Warrant B).

RESERVES AND PROVISIONS

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

EMPLOYEE SHARE OPTIONS SCHEME ("ESOS")

The Company's ESOS is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 28 December 2011. The ESOS was implemented on 28 February 2012 and will be in force for a period of 5 years from the date of implementation, with extension of a further 5 years.

The main features of the ESOS and their issuance for the year ended 31 January 2016 are disclosed in Note 17 to the financial statements.

Directors' Report (Cont'd)

INFORMATION ON THE FINANCIAL STATEMENTS

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

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

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

- a. 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
- b. which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- c. which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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

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

- a. any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- b. any contingent liability of the Group or of the Company which has arisen since the end of the financial year other than as disclosed in Note 32 to the financial statements.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except as recorded and disclosed in the notes to the financial statements.

During and at the end of the financial year, no arrangement subsisted to which the Company or its related companies was a party, whereby Directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' Report (Cont'd)

DIRECTORS OF THE COMPANY

Directors who served on the Board of the Company since the date of the last report are as follows:

TEO KIEW LEONG
TAN KOK CHOR
MICHAEL MOO KAI WAH
SEROOP SINGH RAMDAY
CHAN KENG LEONG (APPOINTED ON 05.11.2015)
JOHN LEE YAN HONG @ JOHN LEE (RESIGNED ON 24.04.2015)

In accordance with Article 91, 92 and 96 of the Company's Article of Association, Teo Kiew Leong and Chan Keng Leong retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

DIRECTORS' INTERESTS

As recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Company Act, 1965, none of the current Directors had any interest in the shares of the Company at the end of the financial year.

WARRANT B (WARRANTS 2008/2018)

The Company's issuance of new warrants via a Renounceable Rights Issue of 53,458,666 new warrants 2008/2018 on the basis of one (1) new warrant for every three (3) existing shares held were listed on the Bursa Malaysia Securities Berhad on 5 March 2008. The issue price of the warrants B was RM0.05 each. The exercise price of the warrants is subject to adjustments from time to time in accordance with the conditions stipulated in the Deed Poll dated 18 January 2008. On 18 January 2008, the exercise price was RM1.00. It was adjusted to RM0.10 on 24 September 2014 upon the implementation of the Par Value Reduction.

The issue date for 53,458,666 Rights Issue of warrants was 29 February 2008. The warrants will expire on 28 February 2018. The exercise period for the warrants 2008/2018 is ten (10) years commencing from and inclusive of the date of issue of the Warrants 2008/2018. Warrants 2008/2018 which are not exercised during the exercise period shall thereafter lapse and cease to be valid.

The movement of the warrant B (warrant 2008/2018) is as follows:

	GROUP AND COMPANY	
	Number of warrants	
	2016	2015
At the beginning of the year	31,199,434	53,458,666
Less: Warrants converted during the year	(21,566,899)	(22,259,232)
At the end of the year	9,632,535	31,199,434

Directors' Report (Cont'd)

WARRANT C (WARRANTS 2015/2025)

The Company's issuance of new warrants via a Renounceable Rights Issue of 2,315,152,386 new ordinary shares of RM0.10 each on the basis of one (1) new warrant for every two (2) right issues subscribed were listed on the Bursa Malaysia Securities Berhad on 17 November 2015.

The issue date for 1,157,576,189 warrant C was 9 November 2015. The warrants will expire on 8 November 2025. The exercise period for the warrants 2015/2025 is ten (10) years commencing from and inclusive of the date of issue of the Warrants 2015/2025. Warrants 2015/2025 which are not exercised during the exercise period shall thereafter lapse and cease to be valid.

The movement of the warrant C (warrant 2015/2025) is as follows:

	GROUP AND COMPANY	
	Number of warrants	
	2016	2015
At the beginning of the year	–	–
Add: Warrants allocated during the year	1,157,576,189	–
At the end of the year	1,157,576,189	–

OTHER STATUTORY INFORMATION

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

In the opinion of the Directors:

- 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
- there has not arisen in the interval between the end of the financial year and the date of this report, any such 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.

SIGNIFICANT EVENTS DURING AND AFTER THE FINANCIAL YEAR

Details of the significant events during and after the financial year are disclosed in Note 37 to the financial statements.

AUDITORS

The auditors, Messrs. STYL Associates, have indicated their willingness to continue in office.

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


MICHAEL MOO KAI WAH


TEO KIEW LEONG

DATE: 16 May 2016

Statement By

Directors (Pursuant to Section 169(15) of the Companies Act, 1965)

We, **MICHAEL MOO KAI WAH** and **TEO KIEW LEONG**, two of the Directors of **BORNEO OIL BERHAD**, state that, in the opinion of the Directors, the accompanying financial statements of the Group and of the Company, together with the notes there to, are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 January 2016 and of their financial performance and cash flows for the year then ended.

The supplementary information set out in Note 39, which is not part of the financial statements, is prepared in all material respects, in accordance with Guidance on Special Matter No. 1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements" as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

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



MICHAEL MOO KAI WAH



TEO KIEW LEONG

DATE: 16 May 2016

Statutory

Declaration (Pursuant to Section 169(16) of the Companies Act, 1965)

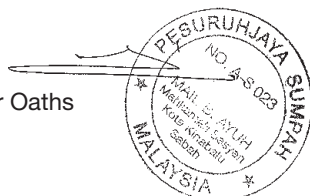
I, **MICHAEL MOO KAI WAH**, the Director primarily responsible for the financial management of **BORNEO OIL BERHAD**, do solemnly and sincerely declare that, to the best of my knowledge and belief, the accompanying financial statements of the Group and of the Company, together with the notes thereto, are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed **MICHAEL MOO KAI WAH**
at Kota Kinabalu in the State of Sabah
this day of

16 May 2016

Before me:

Commissioner for Oaths




MICHAEL MOO KAI WAH

Independent

Auditors' Report to the Members of Borneo Oil Berhad

Report on the Financial Statements

We have audited the financial statements of BORNEO OIL BERHAD which comprise the statements of financial position as at 31 January 2016 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 controls 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 judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls. 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 have been properly drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 January 2016 and of their financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

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

- a) In our opinion, the accounting and other records and the registers required by the the Companies Act, 1965 in Malaysia to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.
- b) Other than those subsidiaries without the auditors' reports as disclosed in Note 6 to the financial statements, we have considered the financial statements and the auditors' reports of the remaining subsidiaries of which we have not acted as auditors, which are indicated in Note 6 to the financial statements.
- c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

Independent Auditors' Report to the Members of Borneo Oil Berhad (Cont'd)

Report on Other Legal and Regulatory Requirements (Cont'd)

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

- d) Other than those subsidiaries without the auditors' reports as disclosed in Note 6 to the financial statements, the audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Companies Act, 1965 in Malaysia.

Other Reporting Responsibilities

The supplementary information set out in Note 39 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements" as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other Matters

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



STYL ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM NO: AF-1929

KUALA LUMPUR
DATE: 16 MAY 2016



SI CHAY BENG
APPROVED COMPANY AUDITOR
TREASURY APPROVAL NO. 1200/08/16 (J)

Statements Of

Financial Position (as at 31 January 2016)

ASSETS	Note	GROUP		COMPANY	
		2016 RM	2015 RM	2016 RM	2015 RM
Non-current assets					
Property, plant and equipment	4	100,681,910	90,464,009	14,302,240	15,088,949
Investment properties	5	190,767,078	138,067,748	–	–
Investment in subsidiary companies	6	(4)	–	30,000,001	27,500,006
Investment in quoted securities	7	3,970,954	61,425	–	–
Investment in golf club membership	8	64,000	64,000	64,000	64,000
Prepaid lease payments	9	10,043,589	11,166,948	–	–
Development expenditure	10	12,324,882	21,000,005	–	–
Intangible assets	11	14,000,000	11,833	–	–
Total non-current assets		331,852,409	260,835,968	44,366,241	42,652,955
Current assets					
Inventories	12	92,379,179	14,763,118	–	4,200,000
Trade receivables	13	4,608,342	4,832,440	3,180	–
Other receivables	14	109,529,209	13,543,129	95,274,338	4,009,391
Amount due from subsidiary companies	15	–	–	316,737,749	220,328,227
Cash and cash equivalents	16	89,529,281	29,493,787	72,093,971	19,560,557
Total current assets		296,046,011	62,632,474	484,109,238	248,098,175
TOTAL ASSETS		627,898,420	323,468,442	528,475,479	290,751,130
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	17	296,180,112	35,129,183	296,180,112	35,129,183
Reserves	18	241,773,335	249,487,404	228,556,442	246,845,085
Shareholders' equity		537,953,447	284,616,587	524,736,554	281,974,268
Non-current liabilities					
Long term borrowings	19	–	16,501,258	–	–
Deferred tax liabilities	21	1,147,300	226,900	–	181,000
Total non-current liabilities		1,147,300	16,728,158	–	181,000
Current liabilities					
Trade payables	22	78,475,793	1,781,864	–	–
Other payables	23	9,263,257	14,977,581	869,846	6,009,123
Amount due to subsidiary companies	15	–	–	2,869,079	2,586,739
Short term borrowings	19	811,083	4,641,779	–	–
Provision for taxation		247,540	722,473	–	–
Total current liabilities		88,797,673	22,123,697	3,738,925	8,595,862
Total liabilities		89,944,973	38,851,855	3,738,925	8,776,862
TOTAL EQUITY AND LIABILITIES		627,898,420	323,468,442	528,475,479	290,751,130

The accompanying Notes form an integral part of the Financial Statements

Statements Of

Comprehensive Income for the year ended 31 January 2016

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		GROUP		COMPANY	
	Note	2016 RM	2015 RM	2016 RM	2015 RM
Revenue	24	256,118,838	84,245,877	1,566,000	9,313,200
Cost of sales		(225,152,031)	(57,838,957)	-	(7,272,200)
Gross profit		30,966,807	26,406,920	1,566,000	2,041,000
Other income	25	7,822,271	3,440,455	4,266,187	92,431
Administrative expenses		(24,964,778)	(21,806,484)	(4,191,188)	(2,832,376)
Finance costs		(1,433,059)	(847,827)	(943,404)	-
Profit/(Loss) before taxation	26	12,391,241	7,193,063	697,595	(698,945)
Taxation	27	(935,215)	(166,309)	172,000	(234)
Profit/(Loss) after taxation		11,456,026	7,026,754	869,595	(699,179)
Other comprehensive income, net of tax:					
Items that may be subsequently reclassified to profit or loss:					
- Currency translation reserves		(11,857)	(18,645)	-	-
Total comprehensive income/ (loss) for the year		11,444,169	7,008,109	869,595	(699,179)
Profit/(loss) after taxation attributable to:					
Owners of the parent		11,456,026	7,026,754	869,595	(699,179)
Total comprehensive income/ (loss) attributable to:					
Owners of the parent		11,444,169	7,008,109	869,595	(699,179)
Earnings per share attributable to owners of the parent					
- Basic (sen)	28	1.35	2.73		
- Diluted (sen)	28	1.35	2.73		

The accompanying Notes form an integral part of the Financial Statements

Statements Of

Changes In Equity for the year ended 31 January 2016

GROUP	Attributable to Owners of the parent								
	Non distributable						Distributable		
	Share Capital RM	Treasury Shares RM	Share Premium RM	Currency Translation Reserves RM	Warrants Reserves RM	Capital Reserves RM	ESOS Reserves RM	Unappropriated Profit RM	Total Shareholders' Equity RM
Balance at 1 February 2014	210,244,600	(194,593)	24,164,992	(41,816)	2,672,933	15,000	45,717	(39,260,916)	197,645,917
Reduction in par value of ordinary shares	(208,120,140)	-	-	-	-	207,379,309	-	-	(740,831)
Issuance of shares	33,004,723	-	47,326,330	-	-	-	-	-	80,331,053
Acquisition of treasury shares	-	(5,026,256)	-	-	-	-	-	-	(5,026,256)
Disposal of treasury shares	-	4,735,219	663,376	-	-	-	-	-	5,398,595
Effect of exercising of ESOS	-	-	1,762	-	-	-	(1,762)	-	-
Effect of conversion of warrant B	-	-	1,112,961	-	(1,112,961)	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	7,026,754	7,026,754
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(18,645)
- Currency translation reserves	-	-	-	(18,645)	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	7,026,754	7,008,109
Accumulated loss written off	-	-	-	-	-	(34,921,942)	-	34,921,942	-
Balance at 31 January 2015	35,129,183	(485,630)	73,269,421	(60,461)	1,559,972	172,472,367	43,955	2,687,780	284,616,587

Statements Of Changes In Equity for the year ended 31 January 2016 (Cont'd)

GROUP	Attributable to Owners of the parent									
	Non distributable					Distributable				
	Share Capital RM	Treasury Shares RM	Share Premium RM	Currency Translation Reserves RM	Warrants Reserves RM	Capital Reserves RM	ESOS Reserves RM	Unappropriated Profit RM	Shareholders' Equity RM	Total RM
Balance at 31 January 2015	35,129,183	(485,630)	73,269,421	(60,461)	1,559,972	172,472,367	43,955	2,687,780	284,616,587	
Issuance of shares	261,050,929	-	6,260,339	-	-	-	-	-	267,311,268	
Acquisition of treasury shares	-	(26,020,693)	-	-	-	-	-	-	(26,020,693)	
Disposal of treasury shares	-	485,630	116,486	-	-	-	-	-	602,116	
Reclassification	-	-	-	-	-	(172,457,367)	-	172,457,367	-	
Effect of issuing of warrant C	-	-	-	-	93,532,156	-	-	(93,532,156)	-	
Effect of conversion of warrant B	-	-	1,078,345	-	(1,078,345)	-	-	-	-	
Profit for the year	-	-	-	-	-	-	-	11,456,026	11,456,026	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	
- Currency translation reserves	-	-	-	(11,857)	-	-	-	-	(11,857)	
Total comprehensive income for the year	-	-	-	-	-	-	-	11,456,026	11,444,169	
Balance at 31 January 2016	296,180,112	(26,020,693)	80,724,591	(72,318)	94,013,783	15,000	43,955	93,069,017	537,953,447	

Statements Of Changes In Equity for the year ended 31 January 2016 (Cont'd)

	Attributable to Owners of the parent						Distributable		Total Shareholders' Equity RM
	Non distributable						Accumulated Losses RM	Capital Reserves RM	
COMPANY	Share Capital RM	Treasury Shares RM	Share Premium RM	ESOS Reserves RM	Warrants Reserves RM	Capital Reserves RM			
Balance at 1 February 2014	210,244,600	(194,593)	24,164,992	45,717	2,672,933	-	(34,222,763)	-	202,710,886
Reduction in par value of ordinary shares	(208,120,140)	-	-	-	-	207,379,309	-	-	(740,831)
Issuance of shares	33,004,723	-	47,326,330	-	-	-	-	-	80,331,053
Acquisition of treasury shares	-	(5,026,256)	-	-	-	-	-	-	(5,026,256)
Disposal of treasury shares	-	4,735,219	663,376	-	-	-	-	-	5,398,595
Effect of exercising of ESOS	-	-	1,762	(1,762)	-	-	-	-	-
Effect of conversion of warrant B	-	-	1,112,961	-	(1,112,961)	-	-	-	-
Loss after taxation for the year	-	-	-	-	-	-	(699,179)	-	(699,179)
Accumulated losses written off	-	-	-	-	-	(34,921,942)	34,921,942	-	-
Balance at 31 January 2015	35,129,183	(485,630)	73,269,421	43,955	1,559,972	172,457,367	-	-	281,974,268

Statements Of Changes In Equity for the year ended 31 January 2016 (Cont'd)

COMPANY	Attributable to Owners of the parent							
	Non distributable					Distributable		
	Share Capital RM	Treasury Shares RM	Share Premium RM	ESOS Reserves RM	Warrants Reserves RM	Capital Reserves RM	Unappropriated Profit RM	Total Shareholders' Equity RM
Balance at 1 February 2015	35,129,183	(485,630)	73,269,421	43,955	1,559,972	172,457,367	-	281,974,268
Issuance of shares	261,050,929	-	14,388,700	-	-	-	-	275,439,629
Acquisition of treasury shares	-	(26,020,693)	-	-	-	-	-	(26,020,693)
Disposal of treasury shares	-	485,630	116,486	-	-	-	-	602,116
Reclassification	-	-	-	-	-	(172,457,367)	172,457,367	-
Effect of issuing of warrant C	-	-	-	-	93,532,156	-	(93,532,156)	-
Effect of conversion of warrant B	-	-	1,078,345	-	(1,078,345)	-	-	-
Profit after taxation for the year	-	-	-	-	-	-	869,595	869,595
Right issue expenses	-	-	(8,128,361)	-	-	-	-	(8,128,361)
Balance at 31 January 2016	296,180,112	(26,020,693)	80,724,591	43,955	94,013,783	-	79,794,806	524,736,554

The accompanying Notes form an integral part of the Financial Statements.

Statement Of

Consolidated Cash Flows for the year ended 31 January 2016

	Note	2016 RM	2015 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		12,391,241	7,193,063
Adjustments for:			
Allowance for impairment		–	50,000
Allowance for impairment written back		(21,917)	(1,999,200)
Amortisation of prepaid lease rental		1,123,359	1,190,419
Bad debts written off		–	107,024
Depreciation - current year		4,786,853	3,450,476
Depreciation - overprovision in prior year		(194,030)	–
Gain on disposal of investment in quoted shares		(5,474,505)	–
Gain on investment in quoted shares		(116,538)	–
Goodwill written off		11,833	–
Impairment loss on investment in quoted shares		77,124	16,878
Impairment loss on investment in quoted shares written back		(44,193)	–
Interest expense		1,433,059	847,827
Interest income		(1,464,313)	(85,076)
Loss/(Gain) on disposal of property, plant and equipment		6,504	(27,056)
Project cost written off		50,000	–
Property, plant and equipment written off		762	13,668
Operating profit before working capital changes		12,565,239	10,758,023
Inventories		(77,613,722)	(11,406,873)
Receivables		(95,357,168)	(3,328,985)
Payables		70,979,605	6,557,781
Net cash (used in)/generated from operations		(89,426,046)	2,579,946
Tax paid		(845,147)	(199,163)
Tax refund		86,652	–
Interest paid		(1,433,059)	(847,827)
Net cash (used in)/from operating activities		(91,617,600)	1,532,956
CASH FLOWS FROM INVESTING ACTIVITIES			
Additional of development expenditure		(8,878,929)	(18,350,004)
Interest received		1,464,313	85,076
Realised of development expenditure		(1,117,086)	–
Proceeds from disposal of property, plant and equipment		6,955,558	1,952,745
Proceeds from disposal of quoted shares		24,095,643	–
Purchase of intellectual property rights		(14,000,000)	–
Purchase of investment properties		(52,699,330)	(3,057,277)
Purchase of property, plant and equipment		(21,773,548)	(46,109,916)
Purchase of quoted shares		(111,702,239)	–
Placement of pledge deposits		4	–
Net cash used in investing activities		(177,655,614)	(65,479,376)

Statement Of Consolidated Cash Flows for the year ended 31 January 2016 (Cont'd)

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	Note	2016 RM	2015 RM
CASH FLOWS FROM FINANCING ACTIVITIES			
Acquisition of treasury shares		(26,020,693)	(5,026,256)
Disposals of treasury shares		602,116	5,398,595
Drawn down of term loan		–	10,500,000
Proceeds from issuance of shares		267,311,268	80,331,053
Reduction in par value of ordinary shares		–	(740,831)
Repayment of finance lease payables		(14,831,693)	(1,179,164)
Repayment of term loans		(5,500,261)	(1,920,826)
Net cash from financing activities		221,560,737	87,362,571
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
		(47,712,477)	23,416,151
FOREIGN CURRENCY TRANSLATION RESERVES			
		(11,804)	(79,129)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR			
		29,493,787	6,156,765
CASH AND CASH EQUIVALENTS AT END OF YEAR			
	16	(18,230,494)	29,493,787

The accompanying Notes form an integral part of the Financial Statements.

Statement Of

Cash Flows for the year ended 31 January 2016

	Note	2016 RM	2015 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) before taxation		697,595	(698,945)
Adjustments for:			
Allowance for impairment written back		(32,000)	(4,635)
Depreciation		1,240,525	35,441
Interest expense		943,404	–
Interest income		(1,464,111)	(71,845)
Reversal of impairment loss on investment in subsidiary company		(2,499,999)	–
Operating loss before working capital changes		(1,114,586)	(739,984)
Inventories		4,200,000	(4,200,000)
Receivables		(91,144,214)	(3,059,058)
Payables		(5,139,277)	4,339,220
Subsidiary companies		(96,095,182)	(16,733,500)
Net cash used in operations		(189,293,259)	(20,393,322)
Tax paid		(132,913)	(161,234)
Net cash used in operating activities		(190,369,576)	(20,554,556)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		1,464,111	71,845
Purchase of property, plant and equipment		(453,816)	(14,968,394)
Proceeds from disposal of subsidiary company		4	–
Placement of pledge deposits		(107,759,779)	–
Investment in subsidiary companies		–	(27,500,004)
Net cash used in investing activities		(106,749,480)	(42,396,553)
CASH FLOWS FROM FINANCING ACTIVITIES			
Reduction in par value of ordinary shares		–	(740,831)
Acquisition of treasury shares		(26,020,693)	(5,026,256)
Disposal of treasury shares		602,116	5,398,595
Proceeds from issuance of shares		267,311,268	80,331,053
Net cash from financing activities		241,892,691	79,962,561
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(55,226,365)	17,011,452
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		19,560,557	2,549,105
CASH AND CASH EQUIVALENTS AT END OF YEAR	16	(35,665,808)	19,560,557

The accompanying Notes form an integral part of the Financial Statements.

Notes To The

Financial Statements for the year ended 31 January 2016

1. CORPORATE INFORMATION

The Company's principal activities are investment holding and provision of corporate and management services to the Group. All other operational activities of the Group are undertaken by respective subsidiaries as disclosed in Note 6 to the financial statements.

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

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

The registered office of the Company is located at 1st & 2nd Floor, Victoria Point, Jalan OKK Awang Besar, 87007 Wilayah Persekutuan Labuan and its principal place of business is located at Lot 180, Section 19 KTLD, Jalan Satok, 93400 Kuching, Sarawak and 17th Floor, Menara Hap Seng, Letter Box No.63, No.1 & 3, Jalan P.Ramlee, 50250 Kuala Lumpur.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 16 May 2016.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

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

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia ("RM") which is the Company's functional currency.

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires Directors to exercise their judgment in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgment are based on the Directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

On 1 February 2015, the Group and the Company have adopted where applicable the following new and revised MFRSs and Issues Committee ("IC") Interpretations, Amendments to MFRSs and IC Interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB"):

- Amendments to MFRS 10, MFRS 12 and MFRS 128 Investment Entities
- Amendments to MFRS 119 Defined Benefit Plans: Employee Contributions
- Amendments to MFRS 132 Offsetting Financial Assets and Financial Liabilities
- Amendments to MFRS 136 Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to MFRS 139 Novation of Derivatives and Continuation of Hedge Accounting
- IC Interpretation 21 Levies
- Annual Improvements to MFRSs 2010 – 2012 Cycle
- Annual Improvements to MFRSs 2011 – 2013 Cycle

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (Cont'd)

Effective for financial periods beginning on or after 1 January 2016:

- Amendments to MFRS 10, MFRS 12 and MFRS 128 Investment Entities: Applying the Consolidation Exception
- Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to MFRS 11 Accounting for Acquisitions of Interests in Joint Operations
- Amendments to MFRS 12 Investment Entities
- Amendments to MFRS 14 Regulatory Deferral Accounts
- Amendments to MFRS 101 Disclosure Initiative
- Amendments to MFRS 116 and MFRS 138 Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to MFRS 127 Equity Method in Separate Financial Statements
- Annual Improvements to MFRSs 2012 – 2014 Cycle

The adoption of the above MFRSs, Amendments to MFRSs and IC Interpretations did not have any significant financial impact to the Group and the Company.

Standards, amendments and interpretations issued but not yet effective

As at the date of authorisation of these financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretations have been issued but not yet effective and have not been adopted by the Company:

Effective for financial periods beginning on or after 1 January 2017:

- Amendments to MFRS 107 Statement of Cash Flows: Disclosure Initiative
- Amendments to MFRS 112 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses

Effective for financial periods beginning on or after 1 January 2018:

- MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)
- MFRS 15 Revenue from Contracts with Customers

Effective for financial periods beginning on or after 1 January 2019:

- MFRS 16 Leases

The Group and the Company plan to apply the abovementioned standards, amendments and interpretations when they become effective in the respective financial periods.

The Group and the Company are in the process of assessing the impact of implementing these Standards, since the effects would only be observable for the future financial years.

(b) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiary companies, made up to the end of the financial year.

Subsidiaries are those entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases. Subsidiaries are consolidated using the purchase method of accounting.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Basis of consolidation (Cont'd)

Under the purchase method of accounting, the cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the date of acquisition, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the Group's share of the net assets of the subsidiary acquired, the difference is recognised directly in profit or loss.

Intragroup transactions, balances and unrealised gains are eliminated on consolidation and the consolidated financial statements reflect external transactions only. Unrealised losses are also eliminated on consolidation unless cost cannot be recovered.

The gains or losses on disposal of a subsidiary company is the difference between net disposal proceeds and the Group's share of its net assets together with exchange differences which were not previously recognised in the consolidated statements of comprehensive income.

(c) Property, plant and equipment and depreciation

(i) Recognition and measurement

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

Cost includes expenditure that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

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

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised within "realised gains and losses" in the profit or loss.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Property, plant and equipment and depreciation (Cont'd)

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group or to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Property, plant and equipment are depreciated on the straight-line method at rates based on their estimated useful lives. The principal annual rates used are as follows:

	Rate
Land	2 %
Bridge	2 %
Stone quarry	2 %
Factory	10 %
Leasehold building	1.5 %
Coldroom	10 %
Furniture, fixture and fittings	5 - 20 %
Motor vehicles	10 - 20 %
Machinery and equipment	10 - 25 %
Office equipment	10 %
Exploration	20 %

Land is not depreciated. Depreciation of these assets commences when the assets are ready for their intended use, on the same basis as other property, plant and equipment.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate at the end of the reporting period.

(d) Investment in subsidiary companies

Investments in subsidiary companies are stated at cost less impairment losses. The policy for recognition and measurement of impairment losses is in accordance with Note 2 (m).

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is recognised in the profit or loss.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Investment properties

(i) *Investment properties carried at fair value*

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both.

Investment properties are measured initially at cost and subsequently at fair value with any change therein recognised in the profit or loss.

(ii) *Reclassifications to/from investment properties carried at fair value*

When an item of property, plant and equipment is transferred to investment properties following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through the profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

(iii) *Determination of fair value*

The fair value is based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

(f) Investments in quoted shares

Investments in quoted shares are stated at cost less impairment losses. The policy for recognition and measurement of impairment losses is in accordance with Note 2(m).

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is recognised in the profit or loss.

(g) Investments in golf club membership

Investments in golf club membership are stated at cost less impairment losses. The policy for recognition and measurement of impairment losses is in accordance with Note 2(m).

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is recognised in the profit or loss.

(h) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on weighted average basis. Cost of materials represents direct material cost and all direct expenditure incurred in bringing the inventories to their present location and condition.

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

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdraft and short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purposes of the consolidated statement of cash flows, cash and cash equivalents are presented net of bank overdraft.

(j) Hire purchase and leases

(i) Finance leases

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incident to ownership.

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum hire purchase or lease payments at the inception of the hire purchase or lease, less accumulated depreciation and impairment losses. The corresponding liability is included in the statement of financial position as borrowings. In calculating the present value of the minimum hire purchase or lease payments, the discount factor used is the interest rate implicit in the hire purchase or lease, when it is practicable to determine, otherwise, the Group's incremental borrowing rate is used.

Hire purchase or lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total hire purchase or leasing commitments and the fair value of the assets acquired, are charged to the profit or loss over the term of the relevant hire purchase or lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for hire purchase or leased assets is consistent with that for depreciable property, plant and equipment as described in Note 2 (c).

(ii) Operating leases

Leasehold land that normally has an indefinite economic life and where title is not expected to pass to the lessee by the end of the lease term is treated as an operating lease.

The payment made on entering into or acquiring a leasehold land is accounted for as prepaid lease payments. The prepaid lease payments are amortised on a straight-line basis over the term of respective leases which ranges from 11 to 20 years.

(k) Intangible assets

(i) Goodwill

Goodwill acquired in a business combination represents the excess of the purchase consideration over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities in the acquiree at the date of acquisition.

Goodwill is allocated to cash generating units and is stated at cost less accumulated impairment losses, if any. Impairment test is performed annually. Goodwill is also tested more frequently for impairment when indication of impairment exists. Impairment losses recognised are not reversed in subsequent periods.

Upon the disposal of investment in a subsidiary, the related goodwill will be included in the computation of gain or loss on disposal of investment in the subsidiary in profit or loss.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Intangible assets (Cont'd)

(ii) *Patents and rights*

Patents and rights are recognised as intangible assets if it is probable that the future economic benefits that are attributable to such assets will flow to the Group and the costs of such assets can be measured reliably.

Right acquired for the use of certain brand names and trademarks are stated as cost less accumulated amortisation and impairment losses. Amortisation is charged to the profit or loss on a straight line basis over the estimated useful life of 10 years. Patents and rights are assessed for impairment wherever there is an indication that the intangible assets may be impaired.

(iii) *Intellectual property rights*

Intellectual property rights are recognised as intangible assets if it is probable that the future economic benefits that are attributable to such assets will flow to the Group and the costs of such assets can be measured reliably.

Intellectual property rights registered is exclusive and perpetual from the date of application with no renewal terms and therefore have indefinite useful lives and are stated at costs less impairment losses. Intellectual property rights are assessed for impairment wherever there is an indication that the intangible assets may be impaired.

(l) Deferred exploration and development expenditure

Exploration and evaluation expenditures are accumulated for each area of interest and deferred as an asset when the costs are expected to be recouped through exploitation or by sale, or where activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in or in relation to the area are continuing.

Deferred exploration and development expenditures are amortised over the economic lives of the related areas of interest from the date of commencement of production. Amortisation is determined on a production output basis.

The net carrying value of each area of interest is reviewed regularly and, to the extent this value exceeds its recoverable value, that excess is provided for or written off in the year in which this is determined.

(m) Impairment of non-financial assets

The carrying amounts of non-financial assets other than deferred tax assets and inventories are reviewed 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 fair value less cost to sell and the value in use, which is measured by reference to discounted future cash flows and is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs to. An impairment loss is recognised whenever the carrying amount of an item of asset exceeds its recoverable amount. An impairment loss is recognised as an expense in profit and loss.

Any subsequent increase in recoverable amount other than goodwill, due to a reversal of impairment loss is restricted to the carrying amount that would have been determined (net of accumulated depreciation, where applicable) had no impairment loss been recognised in prior years. The reversal of impairment loss is recognised in profit or loss.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

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

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

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.

The Group and the Company have not designated any financial assets as fair value through profit or loss.

(ii) *Loans and receivables*

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

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and 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 after the reporting date which are classified as non-current.

(iii) *Held-to-maturity investments*

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity.

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

Held-to-maturity investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

The Group and the Company have not designated any financial assets as held-to-maturity investments.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Financial assets (Cont'd)

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

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

A financial asset is derecognised when and only when the contractual rights to the cash flows from the financial asset have expired or all the risks and rewards of ownership have been substantially transferred. On derecognition of a financial asset the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(o) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(i) *Trade and other receivables and other financial assets carried at amortised cost*

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the receivable and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

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

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Impairment of financial assets (Cont'd)

(i) *Trade and other receivables and other financial assets carried at amortised cost (Cont'd)*

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(ii) *Available-for-sale financial assets*

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity investments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

(p) Foreign currency

(i) *Functional and presentation currency*

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in RM, which is also the Company's functional currency.

(ii) *Foreign currency transactions*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Foreign currency (Cont'd)

(ii) Foreign currency transactions (Cont'd)

Exchange difference arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the translations. The exchange differences arising on the translation are taken directly to other comprehensive income. 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.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

(q) Provisions for liabilities

Provisions for liabilities are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

(r) Revenue recognition

Revenue of the Group is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of the revenue can be measured reliably.

(i) Sales of goods

Revenue relating to sales of goods is recognised net of sales tax, goods and services tax and discounts upon transfer of risks and rewards.

(ii) Revenue from fast food and restaurant operations

Revenue from fast food and restaurant operations are recognised at point of sales, net of service tax, goods and services tax and discounts.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(r) Revenue recognition (Cont'd)

(iii) Franchisee fees income

Franchisee fees income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

(iv) Sales of goods

Revenue relating to sales of goods is recognised net of goods and services tax and discounts upon transfer of risks and rewards.

(v) Rental income

Rental income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

(vi) Management income

Management fee is recognised on an accrual basis.

(s) Borrowing costs

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, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as an expense in profit or loss in the period in which they are incurred.

(t) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is accounted for using the financial statements liability method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on the tax rates that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(t) Income tax (Cont'd)

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(u) Employee benefits

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which employees of the Group and of the Company rendered the associated services. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the financial statements as incurred.

(iii) Share-based compensation

The Group's Employees' Share Option Scheme, an equity-settled, share-based compensation plan, allows the Group's employees to exercise the options granted to acquire ordinary shares of the Group. The fair value of the share options granted in exchange for the employee services received are recognised as an expense in the financial statements over the vesting periods of the grant with a corresponding increase in equity.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted, excluding the impact of any non-market vesting conditions. The equity amount is recognised in the share option reserve until the option is exercised, upon which it will be transferred directly to share premium, or until the option expires, upon which it will be transferred directly to retained earnings.

The proceeds received net of any directly attributable costs are credited to share capital (nominal value) and share premium when the options are exercised.

Details of the Group's Employees' Share Option Scheme are set out in Note 17 to the financial statements.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(v) Financial liabilities

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

Financial liabilities, within the scope of MFRS 139, are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities as fair value through profit or loss.

(ii) *Other financial liabilities*

The Group's and the Company's other financial liabilities include trade payables, other payables, term loans, hire purchase and finance lease payables and amount due to subsidiary companies.

Trade payables, other payables and amount due to subsidiary companies are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Term loans and hire purchase and finance lease payables are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

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

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(w) Segment reporting

For management purposes, the Group is organised into operating segments based on their business segment and geographical location which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 38, including the factors used to identify the reportable segments and the measurement basis of segment information.

(x) Share capital

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

(i) Ordinary shares

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(ii) Treasury shares

When issued shares of the Company are repurchased, the consideration paid, including any attributable transaction cost is presented as a change in equity. Repurchased shares that have not been cancelled are classified as treasury shares and presented as a deduction from equity. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of treasury shares. When treasury shares are resold, the difference between the sale consideration and the carrying amount of the treasury shares is shown as a movement in equity.

(y) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group.

(z) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified receivable fails to make payment when due. Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs.

Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the receivable fails to make payment relating to financial guarantee contract when it is due and the Group and the Company, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(aa) Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

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

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group has access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustments to the carrying amount of the asset or liability affected in the future.

Judgments Made in Applying Accounting Policies

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

(a) *Classification of Financial Assets*

The Group has classified its investment in quoted securities and golf club membership as available-for-sale financial assets. In applying the accounting policy, the Group assesses its nature and the intention at each reporting date. Should the circumstances change in the future, the classification of this financial asset as available-for-sale may be no longer appropriate.

(b) *Leases*

The Group judged that the leasehold land of the Group are in substance finance leases and has classified its leasehold land as property, plant and equipment.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (CONT'D)

Key Sources of Estimation Uncertainty

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

(i) *Impairment of Non-Current Assets*

The Group reviews the carrying amount of its non-current assets, which include property, plant and equipment, to determine whether there is an indication that those assets have suffered an impairment loss in accordance with relevant accounting policies on the respective category of non-current assets. Independent professional valuations to determine the carrying amount of these assets will be procured when the need arise.

(ii) *Useful Lives of Property, Plant and Equipment*

The Group estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of property, plant and equipment are based on internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property, plant and equipment would increase the recorded expenses and decrease the non-current assets.

(iii) *Impairment of Investment in Subsidiaries*

The Group tests investment in subsidiaries for impairment annually in accordance with its accounting policy. More regular reviews are performed if events indicate that this is necessary. The assessment of the net tangible assets of the subsidiaries affects the result of the impairment test. The impairment made on investments in subsidiaries entails an allowance for impairment to be made to the amount owing by these subsidiaries.

Significant judgment is required in the estimation of the present value of future cash flows generated by the subsidiaries, which involve uncertainties and are significantly affected by assumptions used and judgment made regarding estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the results of the Group's tests for impairment of investment in subsidiaries.

(iv) *Deferred Tax Assets*

Deferred tax assets are recognised for all unutilised tax losses and deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management's judgment 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.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(v) *Allowance for Inventories*

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgments and estimates. Possible changes in these estimates could result in revisions to the valuations of inventories.

(vi) *Allowance for Impairment of Receivables*

The Group makes allowances for impairment based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analysed historical bad debts, customer credit creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the allowance for impairment of receivables. Where the expectation is different from the original estimate, such difference will impact the carrying value of receivables.

(vii) *Revaluation of Investment Properties*

The Group carries its investment properties at fair values, with changes in fair values being recognised in profit or loss. The Group engaged independent valuation specialists to determine the fair value in October 2010. The valuer used a valuation technique based on open market value basis. The Directors are of the opinion that based on available market information, there are no material changes on the fair value of the Group's investment properties. Therefore, no changes in fair value are recognised in profit or loss during the financial year.

(viii) *Income Taxes*

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

(ix) *Defined Benefit Plan*

The cost of defined benefit plan as well as the present value of the unfunded obligation is determined using actuarial valuation. The actuarial valuation involves making assumptions about discount rate, salary incremental rate and pension incremental rate. All assumptions are reviewed at each reporting date.

(x) *Impairment of Intangible Assets*

The Group reviews the carrying amount of its intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. Significant judgment is required to determine the extent and amount of the impairment loss (if any).

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

GROUP

COST	Balance at 01.02.2015 RM	Additions RM	Disposals/ Written off RM	Overprovision in prior year RM	Balance at 31.01.2016 RM
Land	35,303,765	3,735,965	–	–	39,039,730
Stone quarry	1,000,000	–	–	–	1,000,000
Bridge	790,000	–	–	–	790,000
Factory	6,875,567	–	–	–	6,875,567
Leasehold building	10,500,000	–	(6,500,000)	–	4,000,000
Coldroom	559,111	144,400	–	–	703,511
Furniture, fixture and fittings	17,985,077	1,876,985	(749,076)	–	19,112,986
Motor vehicles	5,848,924	2,405,388	(2)	–	8,254,310
Machinery and equipment	32,227,204	7,324,636	(357,607)	–	39,194,233
Exploration	1,160,454	7,425,947	–	–	8,586,401
	112,250,102	22,913,321	(7,606,685)	–	127,556,738

ACCUMULATED DEPRECIATION	Balance at 01.02.2015 RM	Charge for the year RM	Disposals/ Written off RM	Overprovision in prior year RM	Balance at 31.01.2016 RM
Land	28	60,264	–	–	60,292
Stone quarry	–	20,000	–	–	20,000
Bridge	47,400	15,800	–	–	63,200
Factory	299,235	137,512	–	–	436,747
Leasehold building	194,030	80,000	–	(194,030)	80,000
Coldroom	56,896	70,351	–	–	127,247
Furniture, fixture and fittings	8,778,806	1,416,955	(503,371)	–	9,692,390
Motor vehicles	3,159,147	972,141	–	–	4,131,288
Machinery and equipment	9,231,332	2,905,023	(140,490)	–	11,995,865
Exploration	19,219	248,580	–	–	267,799
	21,786,093	5,926,626	(643,861)	(194,030)	26,874,828

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

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

Property, plant and equipment consist of the following: (Cont'd)

GROUP (CONT'D)

COST	Balance at 01.02.2014 RM	Additions RM	Disposals/ Written off RM	Balance at 31.01.2015 RM
Land	20,484,765	14,819,000	–	35,303,765
Stone quarry	1,000,000	–	–	1,000,000
Bridge	790,000	–	–	790,000
Factory	833,089	6,042,478	–	6,875,567
Leasehold building	6,500,000	4,000,000	–	10,500,000
Coldroom	9,850	549,261	–	559,111
Furniture, fixture and fittings	13,134,585	4,869,272	(18,780)	17,985,077
Motor vehicles	3,983,543	1,865,381	–	5,848,924
Machinery and equipment	15,643,913	16,740,437	(157,146)	32,227,204
Exploration	–	1,160,454	–	1,160,454
	62,379,745	50,046,283	(175,926)	112,250,102

ACCUMULATED DEPRECIATION	Balance at 01.02.2014 RM	Charge for the year RM	Disposals/ Written off RM	Balance at 31.01.2015 RM
Land	–	28	–	28
Stone quarry	–	–	–	–
Bridge	31,600	15,800	–	47,400
Factory	163,919	135,316	–	299,235
Leasehold building	97,015	97,015	–	194,030
Coldroom	985	55,911	–	56,896
Furniture, fixture and fittings	7,632,300	1,155,408	(8,902)	8,778,806
Motor vehicles	2,682,869	476,278	–	3,159,147
Machinery and equipment	7,858,855	1,495,501	(123,024)	9,231,332
Exploration	–	19,219	–	19,219
	18,467,543	3,450,476	(131,926)	21,786,093

NET BOOK VALUE	2016 RM	2015 RM
Land	38,979,438	35,303,737
Stone quarry	980,000	1,000,000
Bridge	726,800	742,600
Factory	6,438,820	6,576,332
Leasehold building	3,920,000	10,305,970
Coldroom	576,264	502,215
Furniture, fixture and fittings	9,420,596	9,206,271
Motor vehicles	4,123,022	2,689,777
Machinery and equipment	27,198,368	22,995,872
Exploration	8,318,602	1,141,235
	100,681,910	90,464,009

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

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

Property, plant and equipment consist of the following: (Cont'd)

COMPANY

COST	Balance at 01.02.2015 RM	Additions RM	Disposals RM	Balance at 31.01.2016 RM
Furniture, fixture and fittings	3,787,493	155,790	–	3,943,283
Motor vehicles	478,172	290,000	–	768,172
Office equipment	7,383,712	8,026	–	7,391,738
Leasehold building	4,000,000	–	–	4,000,000
	15,649,377	453,816	–	16,103,193

ACCUMULATED DEPRECIATION	Balance at 01.02.2015 RM	Charge for the year RM	Disposals RM	Balance at 31.01.2016 RM
Furniture, fixture and fittings	42,055	389,040	–	431,095
Motor vehicles	463,728	32,980	–	496,708
Office equipment	54,645	738,505	–	793,150
Leasehold building	–	80,000	–	80,000
	560,428	1,240,525	–	1,800,953

COST	Balance at 01.02.2014 RM	Additions RM	Disposals RM	Balance at 31.01.2015 RM
Furniture, fixture and fittings	83,312	3,704,181	–	3,787,493
Motor vehicles	523,296	–	(45,124)	478,172
Office equipment	119,499	7,264,213	–	7,383,712
Leasehold building	–	4,000,000	–	4,000,000
	726,107	10,968,394	(45,124)	11,649,377

ACCUMULATED DEPRECIATION	Balance at 01.02.2014 RM	Additions RM	Disposals RM	Balance at 31.01.2015 RM
Furniture, fixture and fittings	28,844	13,211	–	42,055
Motor vehicles	504,872	3,980	(45,124)	463,728
Office equipment	36,395	18,250	–	54,645
Leasehold building	–	–	–	–
	570,111	35,441	(45,124)	560,428

NET BOOK VALUE	2016 RM	2015 RM
Furniture, fixture and fittings	3,512,188	3,745,438
Motor vehicles	271,464	14,444
Office equipment	6,598,588	7,329,067
Leasehold building	3,920,000	4,000,000
	14,302,240	15,088,949

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

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

- a. Included in property, plant and equipment of the Group are motor vehicles and machinery and equipment acquired under hire purchase arrangements at net book value of Nil and Nil (2015 - RM957,471 and RM6,826,229) respectively.
- b. Exploration includes capitalisation of current year depreciation amounting to RM1,139,773 (2015 - Nil).

5. INVESTMENT PROPERTIES

	GROUP	
	2016 RM	2015 RM
At the beginning of the year	138,067,748	135,010,471
Add: Additional during the year	52,699,330	3,057,277
At the end of the year	190,767,078	138,067,748
Investment properties comprise of the followings:		
Long term leasehold land and buildings	167,554,163	129,289,213
Short term leasehold land	22,046,111	7,611,731
Freehold condominium	1,166,804	1,166,804
	190,767,078	138,067,748

Certain investment properties of the Group with carrying amount of RM1,166,805 (2015 – RM15,314,107) are pledged to financial institutions for borrowings granted to the Group as disclosed in Note 19 to the financial statements.

The short term and long term leasehold land and buildings have lease terms of 30 to 99 years respectively.

The estimated fair value of the Group's investment properties amounting to RM103,418,000 (2015 – RM103,418,000) was based on valuations carried out by independent valuers, VPC Alliance (Sabah) Sdn. Bhd. and Henry Butcher Malaysia (Sabah) Sdn. Bhd. in October 2010 to reflect the market values. Valuations were based on current prices in an active market for all properties.

Had the revalued investment properties been carried under the cost model, the carrying amounts of each class of investment properties that would have been included in the financial statements of the Group as at 31 January are as follows:

	GROUP	
	2016 RM	2015 RM
Long term leasehold land and buildings	51,911,738	51,945,207
Short term leasehold land	3,675,180	3,746,846
Freehold condominium	1,166,804	1,166,804
	56,753,722	56,858,857

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

6. INVESTMENT IN SUBSIDIARY COMPANIES

	COMPANY	
	2016 RM	2015 RM
Unquoted shares - at cost	30,100,000	30,100,004
Less: Accumulated impairment losses	(99,999)	(2,599,998)
	30,000,001	27,500,006

Details of the subsidiary companies are as follows:

Name of Company	% Equity Held		Country of incorporation	Principal Activities
	2016	2015		
Borneo Oil & Gas Corporation Sdn. Bhd.	100	100	Malaysia	Mining operations and related activities.
SB Partners Sdn. Bhd.	100	100	Malaysia	Investment holding.
Borneo Resources Limited * ^ Δ	–	100	British Virgin Islands	Investment.

Subsidiaries of Borneo Oil & Gas Corporation Sdn. Bhd.

Borneo Energy Sdn. Bhd.	100	100	Malaysia	Oil, gas and energy and its related businesses.
Borneo Investments Ltd. * @	100	100	Wilayah Persekutuan Labuan, Malaysia	Investment.
Segama Resources Sdn. Bhd. Δ	100	–	Malaysia	Investment holding.
Borneo Resources Limited * ^ Δ	100	100	British Virgin Islands	Investment.

Subsidiaries of SB Partners Sdn. Bhd.

SB Resorts Sdn. Bhd.	100	100	Malaysia	Property management, lodging, food, entertainment and related activities.
SB Supplies & Logistics Sdn. Bhd.	100	100	Malaysia	Manufacturing, sales and distributions of food products, franchisee, provision of management and marketing services.
Sugarbun Pty Ltd. * Δ	100	–	Australia	Fast food restaurants and related activities.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

6. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

Details of the subsidiary companies are as follows: (Cont'd)

Name of Company	% Equity Held 2016	% Equity Held 2015	Country of incorporation	Principal Activities
Subsidiaries of SB Franchise Management Sdn. Bhd.				
L & V Trading Sdn. Bhd.	100	100	Malaysia	Supply of franchise equipment and spare parts.
Bonushopping Sdn. Bhd. Δ	–	100	Malaysia	Dormant.
Applebee's Bakery Sdn. Bhd. Δ	–	100	Malaysia	Dormant.
SB Food Enterprise Sdn. Bhd. Δ	–	100	Malaysia	Dormant.
Sugarbun Pty Ltd. * Δ	–	100	Australia	Fast food restaurants and related activities.
Subsidiaries of SB Resorts Sdn. Bhd.				
SB Lifestyle Sdn. Bhd.	100	100	Malaysia	Investment properties.
The Borneo Bar Sdn. Bhd.	100	100	Malaysia	Dormant.
SB Rainforest Travel & Tours Sdn. Bhd.*	100	100	Malaysia	Dormant.
Bonushopping Sdn. Bhd. Δ	100	–	Malaysia	Dormant.
Applebee's Bakery Sdn. Bhd. Δ	100	–	Malaysia	Dormant.
SB Food Enterprise Sdn. Bhd. Δ	100	–	Malaysia	Dormant.
Subsidiaries of SB Supplies & Logistics Sdn. Bhd.				
SB Franchise Management Sdn. Bhd.	100	100	Malaysia	Franchisee and provision of management and marketing services.
Segama Resources Sdn. Bhd. Δ	–	100	Malaysia	Investment holding.
SBFM Singapore Pte. Ltd.* #	100	–	Singapore	Dormant.
Subsidiary of Segama Resources Sdn. Bhd.				
Segama Ventures Sdn. Bhd.	100	100	Malaysia	Dormant.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

6. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

* Not audited by STYL Associates

@ Borneo Investments Ltd. was consolidated based on its unaudited management accounts as at 31 January 2016. The audited financial statements and auditor's report for the financial year were not available as the management accounts are not required to be audited under Labuan Companies Act 1990. However, the financial statements of Borneo Investments Ltd. used for consolidation purposes were reviewed by STYL Associates.

^ Borneo Resources Limited was consolidated based on its unaudited management accounts as at 31 January 2016. The audited financial statements and auditor's report for the financial year were not available as the management accounts are not required to be audited under local Companies Act. However, the financial statements of Borneo Resources Limited used for consolidation purposes were reviewed by STYL Associates.

SBFM Singapore Pte. Ltd. was not consolidated as at 31 January 2016 as the investment was held for temporary only.

Δ Restructuring on 30 January 2016.

On 23 December 2015, the Company acquired 100% equity interest in SBFM Singapore Pte. Ltd., a company incorporated in Singapore for a total consideration of RM6 (SGD2). Subsequently, this wholly-owned subsidiary company was disposed off on 1 March 2016 for a total consideration of RM16,061 (SGD5,396) (Notes 36 and 37).

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

7. INVESTMENT IN QUOTED SECURITIES

	GROUP	
	2016 RM	2015 RM
Non-current assets		
Available-for-sale financial assets		
<u>Quoted shares - at cost</u>		
At the beginning and end of the year	3,330,210	3,330,210
Add: Additions during the year	3,942,460	–
At the end of the year	7,272,670	3,330,210
<u>Less: Accumulated impairment losses</u>		
At the beginning of the year	3,268,785	3,251,907
Add: Impairment during the year	77,124	16,878
Less: Reversal of impairment	(44,193)	–
At the end of the year	3,301,716	3,268,785
Net carrying amount	3,970,954	61,425
- at market value	3,970,954	61,425

The currency exposure profiles of investment in quoted securities for the Group are as follows:

	GROUP	
	2016 RM	2015 RM
United States Dollar	1	52,125
Ringgit Malaysia	3,970,953	9,300
	3,970,954	61,425

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

8. INVESTMENT IN GOLF CLUB MEMBERSHIP

	GROUP AND COMPANY	
	2016 RM	2015 RM
Non-current assets		
Available-for-sale financial assets		
Investment in golf club membership - at cost	64,000	64,000
Investment in golf club membership - at market value	64,000	64,000

9. PREPAID LEASE PAYMENTS

	GROUP	
	2016 RM	2015 RM
Prepaid lease rental	27,474,992	27,474,992
Less: Accumulated amortisation	(17,431,403)	(16,308,044)
	10,043,589	11,166,948

Include in prepaid lease payments is the Group's cost incurred in developing two locations in Kota Kinabalu, Sabah belonging to a government authority and, in return, the Group is allowed to operate its business operation in these two locations for periods of between eleven to twenty years in lieu of rental payment.

10. DEVELOPMENT EXPENDITURE

	GROUP	
	2016 RM	2015 RM
At the beginning of the year	22,505,006	4,155,002
Add: Additions during the year	11,337,486	18,350,004
Less: Reversal during the year	(1,391,471)	–
Less: Disposal during the year	(18,621,138)	–
	13,829,883	22,505,006
Less: Accumulated impairment losses	(1,505,001)	(1,505,001)
At end of year	12,324,882	21,000,005

The development expenditure represents preliminary costs incurred for gold mining projects, biomass project and research and development on the Group's leasehold land.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

11. INTANGIBLE ASSETS

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
(a) Goodwill on consolidation				
At the beginning and end of the year	11,833	11,833	–	–
Less: Written off	(11,833)	–	–	–
At the end of the year	–	11,833	–	–
(b) Patents and rights, at cost				
At the beginning of the year	5,000,000	5,000,000	5,000,000	5,000,000
Less: Accumulated amortisation	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
At the end of the year	–	–	–	–
(c) Intellectual property rights, at cost				
Add: Additions during the year	14,000,000	–	–	–
Total intangible assets	14,000,000	11,833	–	–

12. INVENTORIES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
At cost:				
Food and beverages and packing materials	7,203,401	2,278,543	–	–
Machinery and spare parts	1,521,191	917,136	–	–
Inventories of gold	82,116,109	9,093,105	–	4,200,000
Inventories of oil	1,538,478	–	–	–
Marble blocks	–	2,474,334	–	–
	92,379,179	14,763,118	–	4,200,000

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

13. TRADE RECEIVABLES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Trade receivables	4,658,342	4,904,357	3,180	–
Less: Allowance for impairment	(50,000)	(71,917)	–	–
	4,608,342	4,832,440	3,180	–

The Group and the Company's normal trade credit terms ranges from 30 to 60 days. Other credit terms are assessed and approved on a case-by-case basis.

The ageing analysis of the Group and the Company's trade receivables is as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Neither past due nor impaired	4,481,171	4,832,440	3,180	–
more than 91 days past due				
not impaired	177,171	71,917	–	–
	4,658,342	4,904,357	3,180	–
Less: Allowance for impairment	(50,000)	(71,917)	–	–
	4,608,342	4,832,440	3,180	–

The currency exposure profiles of trade receivables for the Group and for the Company are as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Australian Dollar	–	86,435	–	–
Brunei Dollar	31,985	28,355	–	–
Indonesia Rupiah	14,265	–	–	–
Ringgit Malaysia	4,595,571	4,707,130	3,180	–
United States Dollar	16,521	82,437	–	–
	4,658,342	4,904,357	3,180	–

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are credit worthy receivables with good payment records with the Group and the Company mostly are regular customers that have been transacting with the Group and the Company.

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

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

13. TRADE RECEIVABLES (CONT'D)

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM127,171 (2015 - Nil) that are past due at the reporting date but not impaired. These receivables are unsecured in nature.

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

Movements in the allowance accounts:

	GROUP	
	2016 RM	2015 RM
At the beginning of the year	71,917	1,979,821
Add: Charge during the year	–	50,000
Less: Reversal during the year	(21,917)	(1,957,904)
At the end of the year	50,000	71,917

Trade receivables that are individually determined to be impaired at the reporting date relate to receivables are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

14. OTHER RECEIVABLES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Prepayments	84,907	90,231	–	–
Bank guarantee	100,000	–	–	–
Deposits	4,838,457	1,404,728	26,717	25,217
Sundry receivables	103,699,484	11,725,798	94,707,036	3,781,001
Goods and services tax receivables	252,898	–	213,499	–
Tax recoverable	554,184	323,097	327,086	203,173
	109,529,930	13,543,854	95,274,338	4,009,391
Less: Allowance for impairment	(725)	(725)	–	–
	109,529,205	13,543,129	95,274,338	4,009,391

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

14. OTHER RECEIVABLES (CONT'D)

Included in deposits and sundry receivables of the Group:

- (a) Consist of RM354,888 (2015 - Nil) being deposits paid for the acquisition of 3 units of semi-detached workshop cum office for the total consideration of RM3,548,880. The balance of the purchase consideration is deducted as a capital commitment as disclosed in Note 33 to the financial statements.
- (b) Consist of deposits paid to HDL Global Sdn. Bhd. and Jusra Mining Merapoh Sdn. Bhd. amounting to RM2,000,000 and RM1,273,384 (2015 - Nil and RM273,384) respectively for sharing of mining project costs and undertake of sub-contract mining works.
- (c) Included in sundry receivables of the Group and of the Company, is an amount of RM93,943,731 (2015 - RM2,361,567) owing from the Group's solicitor for acting as stakeholder in relating to the Group's studies and geological surveys works with third parties.

Other receivables that are impaired

The Group's other receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

Movements in the allowance accounts:

	GROUP	
	2016 RM	2015 RM
At the beginning of the year	725	42,020
Less: Reversal during the year	-	(41,295)
At the end of the year	725	725

15. AMOUNT DUE FROM/TO SUBSIDIARY COMPANIES

These amounts are unsecured, interest-free and repayable on demand.

16. CASH AND CASH EQUIVALENTS

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following at the reporting date:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Cash and bank balances	19,168,559	27,083,494	1,774,924	17,156,737
Deposits with licensed banks	116,303,367	2,410,293	116,261,692	2,403,820
Money market fund placement	48,640,715	-	48,640,715	-
Bank overdraft	(94,583,360)	-	(94,583,360)	-
	89,529,281	29,493,787	72,093,971	19,560,557
Less: Pledged of deposits	(107,759,779)	-	(107,759,779)	-
	(18,230,498)	29,493,787	(35,665,808)	19,560,557

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

16. CASH AND CASH EQUIVALENTS (CONT'D)

The weighted average interest rates of deposits at the end of financial year range from 3.10% to 3.15% (2015 - 2.90% to 3.10%) per annum and the average maturities of deposits are 4 days to 30 days (2015 - 30 to 365 days).

The bank overdraft bears interest at 3.20% (2015 - Nil) per annum. The bank overdraft is secured by the pledged of fixed deposits of not less than RM105,000,000.

17. SHARE CAPITAL

	GROUP AND COMPANY			
	Amount	Number of	Amount	Number of
	2016	shares	2015	shares
	RM	2016	2015	2015
		RM	RM	RM
Authorised:				
Ordinary shares of RM0.10/ RM1 each				
At the beginning of the year	5,000,000,000	50,000,000,000	500,000,000	500,000,000
Adjustment for par value reduction from RM1 to RM0.10 each	-	-	4,500,000,000	49,500,000,000
At the end of the year	5,000,000,000	50,000,000,000	5,000,000,000	50,000,000,000
Issued and fully paid:				
Ordinary shares of RM0.10/ RM1 each				
At the beginning of the year	35,129,183	351,291,830	210,244,600	210,244,600
Adjustment for par value reduction from RM1 to RM0.10 each	-	-	(208,120,140)	(189,000,000)
Issuance of the following shares:				
a) ESOS	27,379,000	273,790,000	26,154,000	261,540,000
b) Private placement	-	-	4,624,800	46,248,000
c) Conversion of warrants 2008/2018 (Warrant B)	2,156,690	21,566,900	2,225,923	22,259,230
d) Rights issue	231,515,239	2,315,152,390	-	-
At the end of the year	296,180,112	2,961,801,120	35,129,183	351,291,830

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

17. SHARE CAPITAL (CONT'D)

Details of shares issued during the financial year are as follows:

- a) Employee Share Options Scheme - 260,790,000 ordinary shares of RM0.10 each at an exercise price of RM0.13 per share.
 - b) Employee Share Options Scheme - 13,000,000 ordinary shares of RM0.10 each at an exercise price of RM0.61 per share.
 - c) Right issue - 2,315,152,386 ordinary shares of RM0.10 each at an exercise price of RM0.10 per share.
 - d) Conversion of warrants 2008/2018 (Warrant B) - to 21,566,899 ordinary shares of RM0.10 each.
- (I) The Company's ESOS is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 28 December 2011. The ESOS was implemented on 28 February 2012.
 - (II) The main features of the ESOS are as follows:
 - (i) The ESOS shall be in force for a period of 5 years from the date of the receipt of the last of the requisite approvals, with extension of a further 5 years and may, at the discretion of the ESOS committee, be extended provided always that the initial 5 year period and such extension made shall not in aggregate exceed a duration of 10 years.
 - (ii) Eligible persons are employees of the Group (including executive directors) who have been confirmed in the employment of the Group. The eligibility for participation in the ESOS shall be at the discretion of the Option Committee appointed by the Board of Directors.
 - (iii) The total number of shares to be issued under the ESOS shall not in aggregate exceed 15% of the issued and paid-up share capital of the Company at any point in time during the tenure of the ESOS.
 - (iv) The option price for each share shall be based on the weighted average market price of the shares for the 5 market days preceeding the date of offer, with a discount of not more than 10%, if deemed appropriate, or the par value of the shares, whichever is higher.
 - (v) No option shall be granted for less than 100 shares nor more than 3,000,000 shares to any eligible employee.
 - (vi) An option granted under the ESOS shall be capable of being exercised by the grantee by notice in writing to the Company commencing from the date of offer but before the expiry of 5 years, with extension of a further 5 years.
 - (vii) The persons to whom the options have been granted have no right to participate by virtue of any share issue of any other company.

(III) The movement of the ESOS is as follows:

	GROUP AND COMPANY Number of ESOS	
	2016	2015
At the beginning of the year	149,000	–
Add: ESOS allocated during the year	273,790,000	72,689,000
Less: ESOS exercised during the year	(273,790,000)	(72,540,000)
At the end of the year	149,000	149,000

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

18. RESERVES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Non-distributable:				
Share premium reserves	80,724,591	73,269,421	80,724,591	73,269,421
ESOS reserves	43,955	43,955	43,955	43,955
Warrants reserves	94,013,783	1,559,972	94,013,783	1,559,972
Capital reserves	15,000	172,472,367	–	172,457,367
Currency translation reserves	(72,318)	(60,461)	–	–
Treasury shares	(26,020,693)	(485,630)	(26,020,693)	(485,630)
Distributable:				
Unappropriated profit	93,069,017	2,687,780	79,794,806	–
	241,773,335	249,487,404	228,556,442	246,845,085

Share premium reserves

The reserves comprise of the surplus arising from the issuance of shares at prices above the par value of the respective shares.

ESOS reserves

The reserves relate to the issuance of shares to the employees under the Employee Share Options Scheme as part of their benefits.

Capital reserves

The reserves comprise of the reserves arising from the surplus on revaluation of investments in subsidiary companies against their respective cost of investments and the reduction of the Company's par value from RM1.00 to RM0.10 per share. The amount as stated represents the surplus of the amount net of any permitted utilisation of the same in the future. The reserves relate to the reduction of Company's par value from RM1.00 to RM0.10 per share which has been reclassified to unappropriated profit during the financial year.

Currency translation reserves

The reserves comprise of all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than the RM.

Treasury shares

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount as stated represents acquisition costs of the treasury shares.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

18. RESERVES (CONT'D)

Details of shares re-purchased and re-sold during the financial year are as follows:

	GROUP AND COMPANY			
	Number of shares		Amount	
	2016	2015	2016 RM	2015 RM
At the beginning of the year	623,000	420,000	485,630	194,593
Repurchase of shares	1,640,040,000	6,786,000	26,020,693	5,026,256
Re-sale of shares	(623,000)	(6,583,000)	(602,116)	(5,398,595)
Effect of disposal of shares	-	-	116,486	663,376
At the end of the year	1,640,040,000	623,000	26,020,693	485,630

During the financial year, the Company:

- Acquired 164,004,000 (2015 - 6,786,000) shares in the Company through purchase from the open market. The total amount paid to acquire the shares was RM26,020,693 (2015 - RM5,026,256). The average cost paid for the shares repurchased was RM0.16 (2015 - RM0.74) per share, including transaction costs. This was presented as a component within shareholder's equity.
- Sold 623,000 (2015 - 6,583,000) shares in the Company through sale from the open market. The total amount proceeds from the re-sale of shares was RM602,116 (2015 - RM5,398,595). The average cost proceeds for the shares re-sale was RM0.97 (2015 - RM0.82) per share respectively, including transaction costs. The sales resulted in an increase in shares premium of RM116,486 (2015 - RM663,376).

As at 31 January 2016, the Company has 1,640,040,000 (31 January 2015 - 623,000) ordinary shares held as treasury shares.

19. BORROWINGS

	GROUP	
	2016 RM	2015 RM
Short Term Borrowings Secured:		
Term loans	811,083	3,114,397
Finance lease payables (Note 20)	-	1,527,382
	811,083	4,641,779
Long Term Borrowings Secured:		
Term loans	-	12,528,379
Finance lease payables (Note 20)	-	3,972,879
	-	16,501,258
Total Borrowings		
Term loans	811,083	15,642,776
Finance lease payables (Note 20)	-	5,500,261
	811,083	21,143,037

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

19. BORROWINGS (CONT'D)

	2016 RM	GROUP 2015 RM
Maturity of borrowings (excluding finance lease payables):		
Within one year	811,083	3,114,397
More than one year and less than two years	–	2,240,207
More than two years and less than five years	–	6,586,991
More than five years	–	3,701,181
	811,083	15,642,776

The effective interest rates during the financial year for borrowings, excluding hire purchase and finance lease payables, are as follows:

	2016 %	GROUP 2015 %
Term loans	3.75 - 8.35	3.75 - 8.35

The term loans of the Group are secured by the following:

- (i) First legal charge over leasehold land and buildings of the Group as disclosed in Note 5 to the financial statements;
- (ii) First fixed legal charge over two parcels of lands owned by a third party;
- (iii) First fixed and floating charge by way of debenture on assets of a subsidiary company;
- (iv) Corporate guarantee by the Company; and
- (v) Deed of assignment of all rights, interest and benefits of contract signed in respect of prepaid lease payments as disclosed in Note 9 to the financial statements.

20. FINANCE LEASE PAYABLES

	2016 RM	GROUP 2015 RM
Minimum lease payments		
- not later than one year	–	2,028,793
- later than one year and not later than two years	–	2,028,793
- later than two years and not later than five years	–	2,448,972
	–	6,506,558
Less: Amount representing finance charges	–	(1,006,297)
Present value of minimum lease payment	–	5,500,261

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

20. FINANCE LEASE PAYABLES (CONT'D)

	GROUP	
	2016 RM	2015 RM
Represented by:		
Current		
- not later than one year	-	1,527,382
Non-current		
- later than one year and not later than two years	-	1,527,382
- later than two years and not later than five years	-	2,445,497
	-	5,500,261
Analysed as:		
Due within one year	-	1,527,382
Due after one year	-	3,972,879
	-	5,500,261

The hire purchase and finance lease payables bear interest of Nil (2015 - 4.53% to 12.26%) per annum.

21. DEFERRED TAX LIABILITIES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
At the beginning of the year	226,900	31,300	181,000	-
Recognised in the statements of comprehensive income (Note 27)	920,400	195,600	(181,000)	181,000
At the end of the year	1,147,300	226,900	-	181,000

This is in respect of taxation effect on temporary differences arising from capital allowance claimed on property, plant and equipment in excess of their depreciation charges.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

22. TRADE PAYABLES

The normal trade credit terms granted to the Group ranges from 30 to 90 days.

The currency exposure profiles of trade payables for the Group are as follows:

	GROUP	
	2016 RM	2015 RM
Indonesian Rupiah	25,265	–
Ringgit Malaysia	78,001,199	1,744,660
Singapore Dollar	343,904	37,204
United States Dollar	105,425	–
	78,475,793	1,781,864

23. OTHER PAYABLES

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Accruals	564,952	5,391,417	48,328	47,119
Deposits received	3,499,404	1,853,624	185,100	185,100
Sundry payables	5,068,757	7,732,540	636,418	5,776,904
Goods and services tax payables	130,144	–	–	–
	9,263,257	14,977,581	869,846	6,009,123

The currency exposure profiles of sundry payables for the Group are as follows:

	GROUP	
	2016 RM	2015 RM
Ringgit Malaysia	4,996,687	7,732,540
Singapore Dollar	72,070	–
	5,068,757	7,732,540

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

24. REVENUE

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Oil, gas, energy and mining related businesses	200,620,935	34,694,600	–	–
Sales from fast food and restaurant operations	44,696,057	32,615,899	–	–
Revenue from administrative, management and marketing services	6,446,533	4,250,527	1,416,000	1,716,000
Franchise fees	149,062	400,123	–	–
Contract income	150,000	7,597,200	150,000	7,597,200
Machinery and spare parts	4,056,251	4,687,528	–	–
	256,118,838	84,245,877	1,566,000	9,313,200

25. OTHER INCOME

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Allowance for impairment written back	21,917	1,999,200	32,000	4,635
Dividend income	6,210	13,748	–	–
Gain on disposal of investment in quoted shares	5,474,505	–	–	–
Gain on disposal of property, plant and equipment	8,498	27,056	–	–
Gain on foreign exchange	79,377	13,893	2,404	13,617
Gain on investment in quoted shares	116,538	–	–	–
Gain on other investment	–	1,050,738	–	–
Insurance claim received	53	45,056	–	–
Interest income	1,468,229	85,076	1,464,111	71,845
License fee received	18,186	18,745	–	–
Management fee received	120,000	–	–	–
Rental income	–	2,060	–	–
Reversal of impairment loss on investment in quoted shares	44,193	–	–	–
Reversal of impairment loss on investment in subsidiary company	–	–	2,499,999	–
Sundry income	464,565	184,882	267,673	2,334
	7,822,271	3,440,455	4,266,187	92,431

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

26. PROFIT/(LOSS) BEFORE TAXATION

This has been determined after charging the following items:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Allowance for impairment	–	50,000	–	6,360
Amortisation of prepaid lease rental	1,123,359	1,190,419	–	–
Audit fees	204,128	161,960	45,000	42,000
Bad debts written off	12,075	–	–	–
Depreciation - current year	4,786,853	3,450,476	1,240,525	35,441
Depreciation - overprovision in prior year	(194,030)	–	–	–
Directors' remuneration (Note 30)	364,284	331,800	162,500	90,000
Hire of machineries	197,087	273,103	–	–
Impairment loss on investment in quoted securities	77,124	16,878	–	–
Interest expenses:				
- Finance lease interest	247,378	474,649	943,404	–
- Late payment interest	–	11,121	–	–
- Term loan interest	242,277	373,178	–	–
Loss on bulgary	–	109,559	–	–
Loss on disposal of property, plant and equipment	6,170	–	–	–
Loss on foreign exchange	–	16,076	–	–
Property, plant and equipment written off	762	13,668	–	–
Project cost written off	50,000	–	–	–
Rental of equipment, machinery and motor vehicle	63,141	1,343,863	–	–
Rental of hostel	54,466	70,899	–	–
Rental of land	24,000	24,000	–	–
Rental of premises	1,065,372	1,165,689	24,000	24,000

27. TAXATION

No provision for taxation for the financial year is made as the Group and the Company are in tax loss position.

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Provision for current year	27,000	217,600	27,000	18,000
Overprovision in prior years	(12,185)	(246,891)	(18,000)	(198,766)
Deferred taxation (Note 21)	920,400	195,600	(181,000)	181,000
	935,215	166,309	(172,000)	234

Income tax is calculated at the Malaysian statutory tax rate of 24% (2015 – 25%) of the estimated assessable profit/(loss) for the year.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

27. TAXATION (CONT'D)

A reconciliation of income tax expenses applicable to profit/(loss) before taxation at the statutory income tax rate to income tax expenses at the effective income tax rate of the Group and of the Company is as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Profit/(Loss) before taxation	12,391,241	7,193,063	697,595	(698,945)
Taxation at the Malaysian statutory tax rate of 24% (2015 - 25%)	2,973,898	1,798,266	167,423	(174,736)
Income not subjected to tax	(815,846)	(1,280,909)	(607,680)	(1,159)
Expenses not deductible for tax purposes	2,768,383	2,969,486	467,257	374,895
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(4,899,435)	(3,073,643)	–	–
Under/(Over)provision in prior years	920,400	–	(181,000)	–
- Deferred tax	(12,185)	(246,891)	(18,000)	(198,766)
- Malaysian tax				
Tax expense for the year	935,215	166,309	(172,000)	234

28. EARNINGS PER SHARE

Basic earnings per share:

Basic earnings per share are calculated by dividing the net profit for the year by the weighted average number of ordinary shares in issue during the financial year.

	GROUP	
	2016	2015
Profit for the year (RM)	11,456,026	7,026,754
Weighted average number of ordinary shares in issue	845,761,690	257,358,543
Basic earnings per share (sen)	1.35	2.73

The effects on the basic earnings per share for the current financial year arising from the assumed exercise of warrants are anti-dilutive. Accordingly, diluted earnings per share for the current year have not been presented.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

29. STAFF COSTS

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Salaries and allowances	6,890,781	6,927,326	508,013	443,644
E.P.F. and Socso contributions	617,512	608,900	6,088	47,198
Other staff related expenses	558,578	516,587	6,464	28,756
	8,066,871	8,052,813	520,565	519,598

Included in staff costs of the Group and of the Company are executive Directors' remuneration amounting to RM270,784 (2015 - RM217,800) and RM69,000 (2015 - RM60,000) respectively as disclosed in Note 30 to the financial statements.

30. DIRECTORS' REMUNERATION

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Directors of the Company				
Executive:				
Fees	270,784	217,800	69,000	60,000
Non-Executive:				
Fees	93,500	114,000	93,500	30,000
Total	364,284	331,800	162,500	90,000

The number of Directors of the Company whose total remuneration during the year fell within the following bands is analysed below:

	Number of Directors	
	2016	2015
Executive Directors:		
Below RM50,000	1	–
RM50,001 - RM100,000	–	–
RM100,001 - RM150,000	–	–
Above RM150,000	1	1
Non-Executive Directors:		
Below RM50,000	3	3
RM50,001 - RM100,000	–	1
RM100,001 - RM150,000	–	–

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

31. RELATED PARTY TRANSACTIONS

(a) Identification of related party

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

(b) Significant related party transactions

The significant related party transactions of the Company are as follows:

	COMPANY	
	2016 RM	2015 RM
Management fee received from subsidiary companies		
- SB Franchise Management Sdn. Bhd.	20,000	120,000
- SB Supplies & Logistics Sdn. Bhd.	1,360,000	1,560,000
	1,380,000	1,680,000

These transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

(c) Compensation of key management personnel ("KMP")

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity either directly or indirectly. The key management personnel of the Group are executive Directors of the Company.

The remuneration of key management personnel during the year was as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Total KMP's remuneration	270,784	217,800	69,000	60,000

32. CONTINGENT LIABILITIES

	COMPANY	
	2016 RM	2015 RM
Unsecured:		
Corporate guarantees given to banks and other financial institutions for credit facilities granted to subsidiary companies	1,125,000	29,009,701

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

33. CAPITAL COMMITMENT

	GROUP 2016 RM	2015 RM
Capital expenditure in respect of the acquisition of 3 units of semi-detached workshop cum office - contracted but not provided for	3,193,992	–

34. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The table below provides analysis of financial instruments of the Group and of the Company. The Group and the Company categorised financial assets as loans and receivables and available-for-sale financial assets and financial liabilities as other financial liabilities measured at amortised cost.

Group

	Loans and Receivables 2016 RM	2015 RM
Financial Assets		
Trade receivables	4,608,342	4,832,440
Other receivables	109,444,298	13,452,898
Cash and cash equivalents	89,529,281	29,493,787
	203,581,921	47,779,125

	Available-for-sale 2016 RM	2015 RM
Financial Assets		
Investment in quoted securities	3,970,954	61,425
Investment in golf club membership	64,000	64,000
	4,034,954	125,425

	Amortised Cost 2016 RM	2015 RM
Financial Liabilities		
Trade payables	78,475,793	1,781,864
Other payables	9,263,257	14,977,581
Term loans	811,083	15,642,776
Finance lease payables	–	5,500,261
	88,550,133	37,902,482

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (Cont'd)

Company

Financial Assets	Loans and Receivables	
	2016 RM	2015 RM
Trade receivables	3,180	–
Other receivables	95,274,338	4,009,391
Amount due from subsidiary companies	316,737,749	220,328,227
Cash and cash equivalents	72,093,971	19,560,557
	484,109,238	243,898,175

Financial Assets	Available-for-sale	
	2016 RM	2015 RM
Investment in golf club membership	64,000	64,000

Financial Liabilities	Amortised Cost	
	2016 RM	2015 RM
Other payables	869,846	6,009,123
Amount due to subsidiary companies	2,869,079	2,586,739
	3,738,925	8,595,862

(b) Financial Risk Management Policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include interest rate risk, credit risk, foreign currency risk, liquidity risk, precious metals and stones risk and market price risk.

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing these risks. The Group's risk management approach seeks to minimise the potential material adverse impact of those exposures.

The following section provides details regarding the Group and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management Policies (Cont'd)

(i) Interest rate risk

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

The Group and the Company's interest risk arise primarily from interest-bearing financial assets and financial liabilities. The Group and the Company's interest-bearing financial assets include fixed deposits that are short term in nature and are held to earn a better yield than cash at banks. The fixed deposits placed with licensed banks at fixed rate expose the Group and the Company to fair value interest rate risk. The Group's interest-bearing financial liabilities include finance lease payables, term loans and bank overdraft while the Company's interest-bearing financial liabilities include bank overdraft.

Borrowings at floating rates expose the Group and the Company to cash flow interest rate risk whilst finance lease payables at fixed rate expose the Group to fair value interest rate risk. The Group and the Company manage their interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

The carrying amounts of the Group and the Company's financial instruments that are exposed to interest rate risk are as follows:

Group	2016 RM	2015 RM
Fixed rate		
Deposits with licensed banks	116,303,367	2,410,293
Finance lease payables	–	(5,500,261)
Floating rate		
Bank overdraft (Note 16)	(94,583,360)	–
Term loans	(811,083)	(4,641,779)
Company	2016 RM	2015 RM
Fixed rate		
Deposits with licensed banks	116,261,692	2,403,820
Floating rate		
Bank overdraft (Note 16)	(94,583,360)	–

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management Policies (Cont'd)

(i) Interest rate risk (Cont'd)

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for floating rate instruments

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

	GROUP		COMPANY	
	2016 Increase/ (Decrease) RM	2015 Increase/ (Decrease) RM	2016 Increase/ (Decrease) RM	2015 Increase/ (Decrease) RM
Effect on profit after taxation				
Increase of 100 Basis Point (bp)	(209,089)	(156,428)	(216,783)	(24,038)
Decrease of 100 Basis Point (bp)	209,089	156,428	216,783	24,038
Effect on equity				
Increase of 100 Basis Point (bp)	(209,089)	(156,428)	(216,783)	(24,038)
Decrease of 100 Basis Point (bp)	209,089	156,428	216,783	24,038

(ii) Credit risk

(a) Trade receivables

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company's exposure to credit risk arise primarily from trade receivables. The Group and the Company have a policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. For other financial assets, the Group and the Company minimise credit risk by dealing with credit rating counterparties.

The Group and the Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group and the Company trade only with recognised and creditworthy third parties. It is the Group and the Company'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 with the result that the Group and the Company's exposure to bad debts are not significant.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management Policies (Cont'd)

(ii) Credit risk (Cont'd)

(a) Trade receivables (Cont'd)

The Group and the Company use ageing analysis to monitor the credit quality of the trade receivables. The ageing of trade receivables as at the end of the financial year is disclosed in Note 13. Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group and the Company. Management has taken reasonable steps to ensure that trade receivables that are neither past due nor impaired are stated at their realisable values. Impairments are made on specific receivables when there is objective evidence that the Group and the Company will not be able to collect all amounts due.

(b) Financial guarantee

The Company provides unsecured loans and advances to subsidiary companies. The Company monitors on an ongoing basis the results of the subsidiary companies and repayments made by the subsidiary companies.

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represents the Company's maximum exposure to credit risk except for financial guarantees provided to banks for banking facilities granted to subsidiary companies. The Company's maximum exposure in this respect is RM811,083 (2015 - RM21,143,037, representing the outstanding banking facilities of the subsidiary companies as at the end of the reporting period. There was no indication that any subsidiary company would default on repayment as at the end of the reporting period.

(c) Inter-company balances

The Company provides unsecured loans and advances to subsidiary companies. The Company monitors the result of the subsidiary companies regularly.

(d) Credit risk concentration profile

As the reporting date, there was no significant concentration of credit risk in the Group.

(iii) Foreign currency risk

The Group is exposed to transactional currency risk primarily through sales, purchases and investment that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily United States Dollar (USD), Singapore Dollar (SGD), Indonesian Rupiah (IDR), Australian Dollar (AUD) and Brunei Dollar (BRD). Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management Policies (Cont'd)

(iii) Foreign currency risk (Cont'd)

The net unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencies are as follows:

	<div> <div>←</div> <div>Net financial assets/(financial liabilities) held in non-functional currency</div> <div>→</div> </div>					
Functional Currency	United States Dollar RM	Singapore Dollar RM	Indonesian Rupiah RM	Australian Dollar RM	Brunei Dollar RM	Total RM
Group						
At 31 January 2016						
Investment in quoted securities	1	-	-	-	-	1
Trade receivables	16,521	-	14,265	-	31,985	62,771
Other payables	-	(72,070)	-	-	-	(72,070)
Trade payables	(105,425)	(343,904)	(25,265)	-	-	(474,594)
	(88,903)	(415,974)	(11,000)	-	31,985	(483,892)
At 31 January 2015						
Investment in quoted securities	52,125	-	-	-	-	52,125
Trade receivables	82,437	-	-	86,435	28,355	197,227
Trade payables	-	(37,204)	-	-	-	(37,204)
	134,562	(37,204)	-	86,435	28,355	212,148

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD, SGD, IDR, AUD and BRN exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

	GROUP	
	2016 RM	2015 RM
USD/RM - Strengthened 5%	(4,445)	6,728
- Weakened 5%	4,445	(6,728)
SGD/RM - Strengthened 5%	(20,799)	(1,860)
- Weakened 5%	20,799	1,860
IDR/RM - Strengthened 5%	(550)	-
- Weakened 5%	550	-
AUD/RM - Strengthened 5%	-	4,322
- Weakened 5%	-	(4,322)
BRD/RM - Strengthened 5%	1,599	1,418
- Weakened 5%	(1,599)	(1,418)

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management Policies (Cont'd)

(iv) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arises principally from trade payables, other payables and borrowings.

The Group's and the Company's funding requirements and liquidity risk is managed with the objective of meeting business obligations as they fall. The Group and the Company finance their liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

Maturity analysis

The table below analysis the maturity profile of the Group and the Company's financial liabilities based on contractual undiscounted cash flows.

Group	Total carrying amount RM	Total contractual cash flows RM	On demand or within 1 year RM	2 - 5 years RM	More than 5 years RM
At 31 January 2016					
Trade payables	78,475,793	78,475,793	78,475,793	—	—
Other payables	9,263,257	9,263,257	9,263,257	—	—
Term loans	811,083	811,083	811,083	—	—
Bank overdraft (Note 16)	94,583,360	94,583,360	94,583,360	—	—
	183,133,493	183,133,493	183,133,493	—	—
At 31 January 2015					
Trade payables	1,781,864	1,781,864	1,781,864	—	—
Other payables	14,977,581	14,977,581	14,977,581	—	—
Term loans	15,642,776	15,642,776	3,114,397	8,827,198	3,701,181
Finance lease payables	5,500,261	6,506,558	2,028,793	4,477,765	—
	37,902,482	38,908,779	21,902,635	13,304,963	3,701,181

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management Policies (Cont'd)

(iv) Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

Company	Total carrying amount RM	Total contractual cash flows RM	On demand or within 1 year RM	2 - 5 years RM	More than 5 years RM
At 31 January 2016					
Other payables	869,846	869,846	869,846	–	–
Amount due to subsidiary companies	2,869,079	2,869,079	2,869,079	–	–
Bank overdraft (Note 16)	94,583,360	94,583,360	94,583,360	–	–
	98,322,285	98,322,285	98,322,285	–	–
At 31 January 2015					
Other payables	6,009,123	6,009,123	6,009,123	–	–
Amount due to subsidiary companies	2,586,739	2,586,739	2,586,739	–	–
	8,595,862	8,595,862	8,595,862	–	–

(iv) Precious metals and stones risk

The gold industry is generally affected by fluctuations in the price and supply of precious metal and stones. The supply and price of gold in the principal world market are significantly influenced by the supply and demand for gold in the world markets. To date, there has been no material impact on the availability and pricing of and demand for gold. There are no hedging transactions entered into for other precious metals and stones.

(vi) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Groups' financial instruments will fluctuate because of changes in market prices.

The Group is exposed to securities price risk from its investment in quoted shares. These quoted shares are classified as available-for-sale financial assets.

The Group's objective is to manage investment returns and the price risk by investing in investment grade securities with steady dividend yield.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

35. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of cash and cash equivalents, trade receivables, other receivables, subsidiary companies balances, trade payables, other payables and short term borrowings approximate their fair value due to the relatively short term nature of these financial instruments.

The carrying amounts of current portion of borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

The carrying amount of financial assets and liabilities of the Group and of the Company as at reporting date approximate their fair values except for the following:

	CARRYING AMOUNT		FAIR VALUE	
	2016 RM	2015 RM	2016 RM	2015 RM
Group				
Finance lease payables	–	5,500,261	–	5,290,828

The fair values of financial lease payables are estimated by discounting expected future cash flows at market incremental lending rate for similar types of leasing agreement at the reporting date.

Fair value hierarchy

The Group classified fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- (ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (iii) Level 3: unobservable inputs for the asset or liability.

Policy on transfer between levels

The fair value of the assets and liabilities to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

There has been no transfer between levels of fair values during the financial year (2015 - no transfer between levels).

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

36. 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 investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

The debt-to-equity ratios as at 31 January 2015 and as at 31 January 2016 were as follows:

	GROUP	
	2016 RM	2015 RM
Trade payables	78,475,793	1,781,864
Other payables	9,263,257	14,977,582
Total borrowings (Note 19)	811,083	21,143,037
Less: Cash and cash equivalents	(89,529,281)	(29,493,787)
Net debt	(979,148)	8,408,696
Equity attributable to the owners of the parent	537,953,447	284,616,587
Capital and net debt	536,974,299	293,025,283
Debt-to-equity ratio	0%	3%

There were no changes in the Group's approach to capital management during the year.

37. SIGNIFICANT EVENTS DURING AND AFTER THE FINANCIAL YEAR

- On 11 March 2015, Borneo Oil & Gas Corporation ("BOG") entered into an Exclusive Production Sharing Agreement with HDL Global Sdn. Bhd. to carry out prospecting, exploration, mining, extraction, processing, marketing, sales and collection of sales revenue with respect to all minerals and precious metals including gold on an exclusive basis on an area known as Blok A, SKC(H) 1/2001, Hutan Simpan Bukit Ibam, Mukin Keratong, Daerah Rompin, Pahang.
- On 9 November 2015, the Company exercised the proposed Renounceable Rights Issue of up to 2,315,152,386 new ordinary shares of RM0.10 each in Borneo Oil Berhad (BORNOIL) at an indicative issue price of RM 0.10 per rights share on the basis of six (6) rights shares for every one (1) existing BORNOIL share held, together with up to 1,157,576,189 free detachable warrants in BORNOIL (Warrants C) on the basis of one (1) free Warrant C for every two (2) rights shares subscribed for, on an entitlement date to be determined later.
- On 23 December 2015, the Company acquired 100% equity interest in SBFM Singapore Pte. Ltd., a company incorporated in Singapore for a total consideration of RM6 (SGD2).
- On 30 January 2016, the Group made a restructuring on the Fast food operations segment which involved acquisition and disposal of subsidiary companies within the Group. The details are disclosed in Note 6 to the financial statements.
- On 1 March 2016, the Company disposed its 100% equity interest in SBFM Singapore Pte. Ltd., a company incorporated in Singapore for a total consideration of RM16,061 (SGD5,396).
- On 1 March 2016, the Company acquired 100% equity interest in Tong Meng Global Pte. Ltd., a company incorporated in Singapore for a total consideration of RM23,600 (SGD7,929).

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

38. SEGMENTAL INFORMATION

(a) Operating segments

For management purpose, the Group is organised into four major operating segments based on their products and services as follows:

- i) Head office and others
- ii) Fast food operations
- iii) Management and operations of properties
- iv) Oil, gas, energy and mining related businesses

The Directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

(b) Geographical segments

Segmental reporting by geographical location has not been prepared as the Group's operations are only carried out in Malaysia.

(c) Information about major customers

Revenue from major customers of the Group amount to RM30,345,000 (2015 - RM1,943,198) arising from mining related businesses segment and sales by the fast food operations segment respectively.

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

38. SEGMENTAL INFORMATION (CONT'D)

	Head office and Others		Fast Food Operations		Management and Operations of Properties		Oil, Gas, Energy and Mining Related Businesses		Elimination		Consolidated	
	RM	2015	RM	2015	RM	2015	RM	2015	RM	2015	RM	2015
Revenue												
External sales	186,000	7,633,200	50,908,583	37,315,338	4,403,320	4,602,739	200,620,935	34,694,600	-	-	256,118,838	84,245,877
Inter-segment sales	1,380,000	1,680,000	1,305,317	4,677,628	-	-	-	-	(2,685,317)	(6,357,628)	-	-
Total revenue	1,566,000	9,313,200	52,213,900	41,992,966	4,403,320	4,602,739	200,620,935	34,694,600	(2,685,317)	(6,357,628)	256,118,838	84,245,877
Results												
Segment results	(2,303,388)	(2,401,869)	8,884,892	5,268,285	(499,635)	(1,377,801)	7,754,264	6,552,275	(11,833)	-	13,824,300	8,040,890
Profit from operations											13,824,300	8,040,890
Finance costs, net											(1,433,059)	(847,827)
Taxation											(935,215)	(166,309)
Profit after taxation											11,456,026	7,026,754
Profit for the year											11,456,026	7,026,754
ASSETS AND LIABILITIES												
Segment assets	181,730,383	42,932,411	27,686,494	21,251,533	226,343,910	170,978,750	192,137,633	88,305,748	-	-	627,898,420	323,468,442
Segment liabilities	1,049,631	6,419,611	7,374,354	4,448,920	4,071,990	6,475,677	77,448,998	21,507,647	-	-	89,944,973	38,851,855
OTHER INFORMATION												
Capital expenditure	453,816	14,968,394	3,221,520	2,354,761	52,886,171	3,501,772	17,911,371	28,342,266			74,472,878	49,167,193
Depreciation	1,240,525	35,441	620,596	684,480	815,883	1,146,681	1,894,319	1,583,874	21,500	-	4,592,823	3,450,476
Amortisation of prepaid lease rental	-	-	-	-	1,123,359	1,589,895	-	-	-	-	1,123,359	1,190,419

Notes To The Financial Statements for the year ended 31 January 2016 (Cont'd)

39. SUPPLEMENTARY INFORMATION ON THE DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES

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

The (accumulated losses)/unappropriated profit of the Group and of the Company as at year end is analysed as follows:

	GROUP		COMPANY	
	2016 RM	2015 RM	2016 RM	2015 RM
Total (accumulated losses)/ unappropriated profit of the Company and its subsidiaries				
- Realised	(80,648,942)	28,611,116	869,595	(35,102,942)
- Unrealised	81,420,232	(79,651,005)	–	181,000
	771,290	(51,039,889)	869,595	(34,921,942)
Add: Consolidated adjustments	13,372,516	18,805,727	–	–
Add: Accumulated loss written off	–	34,921,942	–	34,921,942
Total unappropriated profit	14,143,806	2,687,780	869,595	–

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 and should not be applied for any other purposes.

List of Properties

Particulars of the Group's Properties

The properties of the Group as at 31 January 2016 and their carrying values are indicated as follows:

	Location	Description	Tenure	Land Area	Age of Building	Carrying Value RM '000	Date of Acquisition
1	NT 013064812, Kg. Mansiang, Kokol, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	13.08 acres	Nil	588	3.7.2002
2	NT 013061768, Kg. Mansiang, Kokol, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	5.70 acres	Nil	256	3.7.2002
3	FR 014015706, Kokol, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	23.15 acres	Nil	1,040	3.7.2002
4	NT 013068570, Kokol, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	16.90 acres	Nil	759	3.7.2002
5	FR 014013462, Kokol, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	15.00 acres	Nil	674	3.7.2002
6	NT 013096985, Kokol, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	3.766 hectares	Nil	169	3.7.2002
7	NT 013091202, Kokol, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	11.70 acres	Nil	526	3.7.2002
8	NT 013068954, Tombongan, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	12.67 acres	Nil	569	3.7.2002
9	CL 015279099, Kg. Kiansom, Kota Kinabalu, Sabah	Vacant land	Leasehold, 99 years expiring 31.12.2059	22.15 acres	Nil	3,987	26.12.2002
10	NT 013068589, Kg Kokol, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	6.75 acres	Nil	323	5.3.2003
11	NT 013067939, Kg. Togung, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	2.76 acres	Nil	132	5.3.2003
12	NT 013067742, Kg. Mansiang, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	5.65 acres	Nil	270	5.3.2003
13	NT 013064821, Kg. Mansiang, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	3.89 acres	Nil	186	5.3.2003

List of Properties (Cont'd)

Particulars of the Group's Properties (Cont'd)

The properties of the Group as at 31 January 2016 and their carrying values are indicated as follows: (Cont'd)

	Location	Description	Tenure	Land Area	Age of Building	Carrying Value RM '000	Date of Acquisition
14	NT 013067751, Kg. Kokol, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	12.95 acres	Nil	618	5.3.2003
15	FR 014009057, Kg. Kokol, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	12.66 acres	Nil	605	5.3.2003
16	NT 014009066, Kg. Kokol, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	14.59 acres	Nil	696	5.3.2003
17	NT 013068043, Kg. Togung, Menggatal, Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring 2.7.2032	2.65 acres	Nil	126	5.3.2003
18	NT 065313804, Kg. Kundasang, Ranau, Sabah	Vacant land	Leasehold, 99 years expiring on 31.12.2081	1.57 acres	Nil	75	5.3.2003
19	CL 095310071, Sg. Metah, Kinabatangan District, Sandakan, Sabah	Vacant land	Leasehold, 99 years expiring on 31.12.2073	100.07 acres	Nil	2,442	25.7.2008
20	CL 115379265, Kg. Upak, Ulu Segama, Lahad Datu, Sabah	Vacant land	Leasehold, 99 years expiring on 31.12.2086	14.41 acres	Nil	259	25.7.2008
21	Approximately 53% of the undivided Share of CL 115349070, Ulu Segama, Lahad Datu	Vacant land	Leasehold, 99 years expiring on 31.12.2072	49.41 acres (total of 92.48 acres)	Nil	45,363	23.1.2009
22	NT 04353000, Kg. Sabandar, District of Tuaran	Vacant land	Leasehold, 30 years expiring 27.5.2045	4.66 acres	Nil	10,000	31.1.2016
23	NT 043178472, Kg. Sabandar, District of Tuaran	Vacant land	Leasehold, 30 years expiring 31.5.2045	1.752 acres	Nil	4,551	31.1.2016
24	NT 013106413, Kg. Kokol, District of Kota Kinabalu	Vacant land	Perpetuity	2.997 acres	Nil	9,383	1.3.2016

List of Properties (Cont'd)

Particulars of the Group's Properties (Cont'd)

The properties of the Group as at 31 January 2016 and their carrying values are indicated as follows: (Cont'd)

	Location	Description	Tenure	Land Area	Age of Building	Carrying Value RM '000	Date of Acquisition
25	NT 113026305, NT 113016336, NT 113016345, NT 113016354, NT 113050392, NT 113019551, NT 113019560, NT 113019588, NT 113019579, NT 113019597 & NT 113018492, Kg. Upak, Ulu Segama, Lahad Datu, Sabah	Land with oil palm	Leasehold, 99 years expiring on 31.1.2038	161.57 acres	Nil	56,531	18.2.2008
26	NT 113018509, NT 113018527, NT 113018563, NT 113018554, & NT 113053277, Kg. Upak, Ulu Segama, Lahad Datu, Sabah	Land with oil palm	Leasehold, 99 years expiring on 31.1.2038	79.89 acres	Nil	13,649	29.2.2008
27	NT 013064214, Pulau Gaya Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring on 31.01.2042	2.05 acres	Nil	4,000	1.02.2012
28	NT 013077300, Pulau Gaya Kota Kinabalu, Sabah	Vacant land	Leasehold, 30 years expiring on 31.01.2042	5.16 acres			1.02.2012
29	1 unit Waikiki Condominium HC- 1202, Kota Kinabalu, Sabah	Condominium	Leasehold, 999 years expiring on 15.3.2925	4,350 sq ft	33 years	1,359	17.11.2003
30	PL 066290104, Kg. Lesau, District of Ranau, Sabah	Vacant land	Leasehold, 99 years expiring on 31.12.2068	31.80 Acres	Nil	3,057	20.12.2013
31	NT 053047199, Kg. Rukam, Kudat	Vacant land	Leasehold, 30 years expiring on 14.7.2040	5.09 acres	Nil	1,850	30.7.2010
32	NT 053047297, Kg. Rukam, Kudat	Vacant land	Leasehold, 30 years expiring on 14.7.2040	3.36 acres	Nil	1,400	30.7.2010

List of Properties (Cont'd)

Particulars of the Group's Properties (Cont'd)

The properties of the Group as at 31 January 2016 and their carrying values are indicated as follows: (Cont'd)

	Location	Description	Tenure	Land Area	Age of Building	Carrying Value RM '000	Date of Acquisition
33	NT 113065062, Ulu Segama Lahad Datu, Sabah	Vacant land	Leasehold, 30 years expiring on 30.09.2042	8.465 acres	Nil	1,172	01.10.2012
34	NT 113065071, Ulu Segama Lahad Datu, Sabah	Vacant land	Leasehold, 30 years expiring on 30.09.2042	8.675 acres	Nil		01.10.2012
35	NT 113053053, Ulu Segama Lahad Datu, Sabah	Vacant land	Leasehold, 30 years expiring on 30.09.2042	7.652 acres	Nil		01.10.2012
36	NT 113065053, Ulu Segama Lahad Datu, Sabah	Vacant land	Leasehold, 30 years expiring on 30.09.2042	8.687 acres	Nil		01.10.2012
37	NT 06301807, Kampung Silad Ranau, Sabah	Vacant land	Leasehold, 30 years expiring on 30.11.2042	18.08 acres	Nil	4,520	01.12.2012
38	NT 113006474, Silam Road, Lahad Datu, Sabah	Vacant land	Leasehold, 30 years expiring on 28.02.2042	16.16 acres	Nil	5,040	21.03.2012
39	CL 065311908, Kampung Bongkud, Ranau, Sabah	Vacant land	Leasehold, 99 years expiring on 31.12.2072	11.51 acres	Nil	3,453	12.12.2012
40	NT 063064648, Kampung Kilimu Ranau, Sabah	Vacant land	Leasehold, 30 years expiring on 1.06.2042	11.76 acres	Nil	2,000	01.06.2012
41	NT 113065080, Ulu Segama, Lahad Datu, Sabah	Vacant land	Leasehold, 30 years expiring on 1.06.2043	7.914 acres	Nil	500	31.07.2013
42	NT 113054514, Kg. Upak, Ulu Segama, Lahad Datu, Sabah	Vacant land	Leasehold, 30 years expiring on 28.02.2044	16.90 Acres	Nil	4,000	14.11.2014
43	CL 115474569, Mile 8, Jalan Silam, District of Lahad Datu	Land with factory	Leasehold, 99 years expiring on 04.01.2058	32.65 Acres	10 years	18,631	14.11.2014
44	NT 1133018705, Bakapit, Lahad Datu, Sabah	Vacant land	Leasehold, 30 years expiring on 30.07.2045	13.93 acres	Nil	2,500	28.1.2016

Statement of Shareholdings as at 28TH April 2016

ANALYSIS OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHARE HOLDERS	%	NO. OF SHARES	%
Less than 100	39	0.52	807	–
100 to 1,000	478	6.41	404,840	0.01
1,001 to 10,000	1,683	22.58	10,392,810	0.35
10,001 to 100,000	3,622	48.58	168,875,200	5.68
100,001 to less than 5% of issued shares	1,631	21.88	1,751,521,960***	58.92
5% and above of issued shares	2	0.03	1,041,605,500	35.04
*** TOTAL	7,455	100.00	2,972,801,117	100.00

NOTE: *** is inclusive of 164,040,000 as treasury shares.

DIRECTOR'S SHAREHOLDINGS AS AT 28TH APRIL 2016

Name	Direct Interest	%	Deemed Interest	%
1. Mr. Tan Kok Chor	–	–	–	–
2. Mr. Teo Kiew Leong	–	–	–	–
3. Mr. Chan Keng Leong	–	–	–	–
4. Mr. Michael Moo Kai Wah	–	–	–	–
5. Mr. Seroop Singh Ramday	–	–	–	–
*** TOTAL	–	–	–	–

LIST OF TOP 30 SHAREHOLDERS AS AT 28TH APRIL 2016

NO.	NAME	NO. OF SHARES	%
1	AFFIN HWANG NOMINEES (ASING) SDN BHD (Pledged Securities Account for Lei Shing Hong Securities Limited)	859,605,500	28.92
2	RHB NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Hap Seng Insurance Services Sdn Bhd)	182,000,000	6.12
3	KENANGA NOMINESS (TEMPATAN) SDN BHD (Pledged Securities Account for Victoria Capital Sdn Bhd)	87,452,000	2.94
4	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Victoria Capital Sdn Bhd)	56,429,000	1.90
5	KHOO YONG AI	42,700,000	1.44
6	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Batu Bara Resources Corporation Sdn Bhd)	38,920,000	1.31
7	MAYBANK NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Lim Nyuk Sang @ Freddy Lim)	37,483,200	1.26

Statement of Shareholdings as at 28TH April 2016 (Cont'd)

LIST OF TOP 30 SHAREHOLDERS AS AT 28TH APRIL 2016 (CONT'D)

NO.	NAME	NO. OF SHARES	%
8	KENANGA NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Gonawin Sdn Bhd)	34,705,000	1.17
9	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Su Haw Tieng @ John)	26,075,000	0.88
10	GONAWIN SDN BHD	25,075,000	0.84
11	CIMSEC NOMINEES (TEMPATAN) SDN BHD (Pledged Securities CIMB Bank for Phang Miow Sin)	23,502,000	0.79
12	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Azeman Sipang)	23,331,700	0.78
13	KHOO BUCK CHEW	20,790,000	0.70
14	TAN SOH GEK	19,613,000	0.66
15	OLIVIA CARLA LING LEE LIAN	18,024,300	0.61
16	THIEN NYUK SHEN	16,975,900	0.57
17	CITIGROUP NOMINEES (ASING) SDN BHD (Pledged Securities Account for OCBC Securities Private Limited)	16,025,000	0.54
18	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Lim Fei Nee)	14,386,400	0.48
19	WONG LEH ING	11,148,400	0.38
20	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Lu Li)	10,567,300	0.36
21	RHB NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Victoria Capital Sdn Bhd)	10,200,900	0.34
22	CIMSEC NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Fong Kim Fay)	10,080,000	0.34
23	AFFIN HWANG NOMINEES (ASING) SDN BHD (Pledged Securities Account for Lim & Tan Securities Pte Ltd for Leyau Yew Teck)	10,000,000	0.34
24	VICTORIA CAPITAL SDN BHD	10,000,000	0.34
25	UOB KAY HIAN NOMINEES (ASING) SDN BHD (Pledged Securities Account for UOB Kay Hian Pte Ltd)	9,848,100	0.33
26	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Ong Yoong Nyock)	9,700,000	0.33

Statement of Shareholdings as at 28TH April 2016 (Cont'd)

LIST OF TOP 30 SHAREHOLDERS AS AT 28TH APRIL 2016 (CONT'D)

NO.	NAME	NO. OF SHARES	%
27	TA NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Phang Miow Sin)	9,398,800	0.32
28	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Yayasan Pok Dan Kassim)	9,310,000	0.31
29	JEREMY KHO HUI JAQ	9,000,000	0.30
30	MAYBANK NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Chua Seong Kheong)	9,000,000	0.30
		1,661,346,500	55.90

SUBSTANTIAL SHAREHOLDERS AS AT 28TH APRIL 2016

NO.	NAME	Direct	NO. OF SHARES HELD		%
			%	Indirect	
1	AFFIN HWANG NOMINEES (ASING) SDN BHD (Pledged Securities Account for Lei Shing Hong Securities Limited)	859,605,500	28.92	–	–
2	RHB NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Hap Seng Insurance Services Sdn Bhd)	182,000,000	6.12	–	–

Statement of Warrant B (2008/2018) Holdings as at 28TH April 2016

ANALYSIS OF WARRANT B (2008/2018) HOLDINGS

SIZE OF HOLDINGS	NO. OF WARRANT HOLDERS	%	NO. OF WARRANTS	%
Less than 100	24	3.01	631	–
100 to 1,000	102	12.80	26,332	0.07
1,001 to 10,000	347	43.54	1,506,857	3.93
10,001 to 100,000	246	30.87	8,877,647	23.18
100,001 to less than 5% of issued warrants	76	9.53	22,669,738	59.18
5% and above of issued warrants	2	0.25	5,225,117	13.64
*** TOTAL	797	100.00	38,306,322	100.00

DIRECTOR'S WARRANT B SHAREHOLDING AS AT 28TH APRIL 2016

Name	Direct Interest	%	Deemed Interest	%
1. Mr. Tan Kok Chor	–	–	–	–
2. Mr. Teo Kiew Leong	–	–	–	–
3. Mr. Chan Keng Leong	–	–	–	–
4. Mr. Michael Moo Kai Wah	–	–	–	–
5. Mr. Seroop Singh Ramday	–	–	–	–
*** TOTAL	–	–	–	–

LIST OF TOP 30 WARRANT B (2008/2018) HOLDERS AS AT 28TH APRIL 2016

NO.	NAME	NO. OF WARRANTS	%
1	CIMSEC NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for CIMB Securities (Singapore) Pte Ltd)	2,743,992	7.16
2	RHB NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Lim Nyuk Sang @ Freddy Lim)	2,481,125	6.48
3	UOB KAY HIAN NOMINEES (ASING) SDN BHD (Pledged Securities Account for UOB Kay Hian Pte Ltd)	1,732,822	4.52
4	LIEW LI FONG SUSAN	1,448,350	3.78
5	ENG CHONG HENG	1,313,040	3.43
6	PUBLIC INVEST NOMINEES (ASING) SDN BHD (Pledged Securities Account for Phillip Securities Pte Ltd)	1,232,808	3.22
7	ALLIANCE GROUP NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Chua Peng Boon @Choy Ah Mun)	707,472	1.85

Statement of Warrant B (2008/2018) Holdings as at 28TH April 2016 (Cont'd)

LIST OF TOP 30 WARRANT B (2008/2018) HOLDERS AS AT 28TH APRIL 2016 (CONT'D)

NO.	NAME	NO. OF WARRANTS	%
8	CIMSEC NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Chiam Yeong Hock)	631,515	1.65
9	AFFIN HWANG NOMINEES (ASING) SDN BHD (Pledged Securities Account for Jerome Chua Chwee Meng)	556,752	1.45
10	KO KIM KWA	550,786	1.44
11	GOH KOK CHAI	418,724	1.09
12	LIM TSHUNG YAW	410,405	1.07
13	CHEW LEE KIAN	397,680	1.04
14	H'NG CHEOW SEN	397,680	1.04
15	TEE AH CHONG	397,680	1.04
16	NG KONG WENG	378,193	0.99
17	SOCIAL CARE FOUNDATION	377,796	0.99
18	TAN SIEW HOONG	330,074	0.86
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Boo Cheng Kee)	325,144	0.85
20	NG CHEN FONG	310,000	0.81
21	KENNETH YEOH CHIA HOU	300,000	0.78
22	TAN BOON SIEW	300,000	0.78
23	OLIVIA CARLA LING LEE LIAN	298,260	0.78
24	PUBLIC NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Lee Sook Ping)	290,306	0.76
25	LAI LOU JUAN	265,252	0.69
26	CITIGROUP NOMINEES (ASING) SDN BHD (Pledged Securities Account for UBS AG Hong Kong)	265,117	0.69
27	RHB NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Ong Peik Aik)	258,492	0.67
28	Nik Halijah Bt Nik Mahmood	253,186	0.66
29	CIMSEC NOMINEES (ASING) SDN BHD (Pledged Securities Account for CIMB Securities (Singapore) Pte Ltd)	245,873	0.64

Statement of Warrant B (2008/2018) Holdings as at 28TH April 2016 (Cont'd)

LIST OF TOP 30 WARRANT B (2008/2018) HOLDERS AS AT 28TH APRIL 2016 (CONT'D)

NO.	NAME	NO. OF WARRANTS	%
30	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Ng Kong Weng)	239,005	0.62
		19,857,529	51.83

SUBSTANTIAL WARRANT B (2008/2018) HOLDERS AS AT 28TH APRIL 2016

NO.	NAME	NO. OF WARRANTS	%
1	CIMSEC NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for CIMB Securities (Singapore) Pte Ltd)	2,743,992	7.16
2	RHB NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Lim Nyuk Sang @ Freddy Lim)	2,481,125	6.48

Statement of

Warrant C (2015/2025) Holdings as at 28TH April 2016

ANALYSIS OF WARRANT C (2015/2025) HOLDINGS

SIZE OF HOLDINGS	NO. OF WARRANT HOLDERS	%	NO. OF WARRANTS	%
Less than 100	45	1.70	2,171	–
100 to 1,000	40	1.51	20,475	–
1,001 to 10,000	445	16.77	2,547,030	0.22
10,001 to 100,000	1,361	51.28	61,330,950	5.30
100,001 to less than 5% of issued warrants	758	28.55	646,524,863	55.85
5% and above of issued warrants	5	0.19	447,150,700	38.63
*** TOTAL	2,654	100.00	1,157,576,189	100.00

DIRECTOR'S WARRANT C SHAREHOLDING AS AT 28TH APRIL 2016

Name	Direct Interest	%	Deemed Interest	%
1. Mr. Tan Kok Chor	–	–	–	–
2. Mr. Teo Kiew Leong	–	–	–	–
3. Mr. Chan Keng Leong	–	–	–	–
4. Mr. Michael Moo Kai Wah	–	–	–	–
5. Mr. Seroop Singh Ramday	–	–	–	–
*** TOTAL	–	–	–	–

LIST OF TOP 30 WARRANT C (2015/2025) HOLDERS AS AT 28TH APRIL 2016

NO.	NAME	NO. OF WARRANTS	%
1	VICTORIA LIMITED	184,661,000	15.95
2	RHB NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Hap Seng Insurance Services Sdn Bhd)	78,000,000	6.74
3	CIMSEC NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for CIMB Bank for Lee Yoke Foong)	65,917,900	5.69
4	AFFIN HWANG NOMINEES (ASING) SDN BHD (Pledged Securities Account for Lei Shing Hong Securities Limited)	59,988,600	5.18
5	UOB KAY HIAN NOMINEES (Pledged Securities Account for UOB Kay Hian Pte Ltd)	58,583,200	5.06
6	LCP LIMITED	34,371,500	2.97
7	GONAWIN SDN BHD	32,655,200	2.82

Statement of Warrant C (2015/2025) Holdings as at 28TH April 2016 (Cont'd)

LIST OF TOP 30 WARRANT C (2015/2025) HOLDERS AS AT 28TH APRIL 2016 (CONT'D)

NO.	NAME	NO. OF WARRANTS	%
8	LCP LIMITED	30,296,000	2.62
9	KENANGA NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Victoria Capital Sdn Bhd)	20,881,400	1.80
10	KHOO YONG AI	18,300,000	1.58
11	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Batu Bara Resources Corporation Sdn Bhd)	16,580,000	1.43
12	MAYBANK NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Lim Nyuk Sang @ Freddy Lim)	16,331,650	1.41
13	CITIGROUP NOMINEES (ASING) SDN BHD (Pledged Securities Account for OCBC Securities Private Limited)	13,800,000	1.19
14	THIEN NYUK SHEN	12,290,000	1.06
15	JEREMY KHO HUI JAQ	12,000,000	1.04
16	DATO NG KUAK PING	10,000,000	0.86
17	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Yap Chee Kheng)	9,150,000	0.79
18	MALIAH BINTI MARUIN	9,000,000	0.78
19	OLIVIA CARLA LING LEE LIAN	7,400,000	0.64
20	KONG SIEW MEE	7,220,000	0.62
21	CYRIL BIN JOHN	7,000,000	0.60
22	TA NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Phang Miow Sin)	6,614,000	0.57
23	KHOO BUCK CHEW	6,000,000	0.52
24	KENANGA NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Choong Wai Han)	5,862,100	0.51
25	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Lu Li)	5,400,000	0.47
26	DAYANG SANISAH BINTI TUSIN	5,250,000	0.45
27	MAYBANK NOMINEES (ASING) SDN BHD (Pledged Securities Account for Liu XiaoQing)	5,049,500	0.44

Statement of Warrant C (2015/2025) Holdings as at 28TH April 2016 (Cont'd)

LIST OF TOP 30 WARRANT C (2015/2025) HOLDERS AS AT 28TH APRIL 2016 (CONT'D)

NO.	NAME	NO. OF WARRANTS	%
28	SJ SEC NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Lau Yau Yan)	5,000,000	0.43
29	TAN SOH GEK	5,000,000	0.43
30	WONG LEH ING	4,574,200	0.40
		753,176,250	65.05

SUBSTANTIAL WARRANT C (2015/2025) HOLDERS AS AT 28TH APRIL 2016

NO.	NAME	NO. OF WARRANTS	%
1	VICTORIA LIMITED	184,661,000	15.95
2	RHB NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for Hap Seng Insurance Services Sdn Bhd)	78,000,000	6.74
3	CIMSEC NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for CIMB Bank for Lee Yoke Foong)	65,917,900	5.69
4	AFFIN HWANG NOMINEES (ASING) SDN BHD (Pledged Securities Account for Lei Shing Hong Securities Limited)	59,988,600	5.18
5	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD (Pledged Securities Account for UOB Kay Hian Pte Ltd)	58,583,200	5.06

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 32nd Annual General Meeting of BORNEO OIL BERHAD (Co. No. 121919-H) will be held at 2nd Floor, Victoria Point, Jalan OKK Awang Besar, 87007, W.P. Labuan, on Tuesday, 28th June 2016, at 8.00 am to transact the following:-

AS ORDINARY BUSINESS:

1. To table the Audited Financial Statements for the financial year ended 31 January 2016 together with the Reports of Directors and Auditors. **(note 1)** **(Resolution 1)**

To consider and if thought fit, to pass the following ordinary resolutions:-
2. To re-elect:
 - (a) Mr. Chan Keng Leong who shall retire in accordance with Articles 91 & 96 of the Company's Articles of Association, and being eligible, has offered himself for re-election. **(note 2)** **(Resolution 2)**
 - (b) Mr. Teo Kiew Leong who shall retire in accordance with Articles 91 & 92 of the Company's Articles of Association, and being eligible, has offered himself for re-election. **(note 2)** **(Resolution 3)**
3. To approve the payment of Directors' fees of RM364,284.00 for the financial year ended 31 January 2016. **(Resolution 4)**
4. To re-appoint Messrs STYL Associates as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors of the Company. **(note 3)** **(Resolution 5)**

AS SPECIAL BUSINESS:

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

5. **Ordinary Resolution**
- Authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965

 "That subject always to the approvals of the relevant authorities, the Directors of the Company be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company at any time upon such terms and conditions, and for such purposes as the Directors of the Company may in their absolute discretion deem fit, 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 of the Company for the time being and that the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."
(note 4) **(Resolution 6)**

Notice of Annual General Meeting (Cont'd)

6. Ordinary Resolution

- Proposed renewal of authority for the purchase of own shares by the Company ("Proposed Renewal")

(Resolution 7)

"That subject always to the Companies Act, 1965, the provisions of the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa") and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of ordinary shares of RM0.10 each in the Company ("Bornoil Shares") as may be determined by the Directors of the Company from time to time through Bursa Malaysia upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- (a) the aggregate number of ordinary shares purchased does not exceed ten percent (10%) of the total issued and paid-up share capital of the Company as quoted on Bursa Securities as at the point of purchase;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained earnings and share premium reserves of the Company at the time of the purchase(s); and
- (c) the Directors of the Company may decide to:-
 - (i) retain the shares purchased as treasury shares for distribution as dividend to the shareholders and/or resale on the market of Bursa Securities and/or for cancellation subsequently; and/or
 - (ii) cancel the shares so purchased; and/or
 - (iii) retain part of the shares so purchased as treasury shares and cancel the remainder.

AND THAT such authority shall commence upon passing of this resolution and shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting (AGM) of the Company following the forthcoming Annual General Meeting at which such resolution was passed at which time it will lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next Annual General Meeting after the date is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders in general meeting;

whichever occur first;

AND THAT authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into of all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assert to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities." (note 5)

Notice of Annual General Meeting (Cont'd)

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7. To transact any other business of the Company for which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

By Order of the Board

CHIN SIEW KIM (L.S. 000982)
CHIN CHEE KEE, J.P. (MIA 3040)
Company Secretaries

Labuan F.T.
Dated: 31 May 2016

Explanatory notes (note 1 to 5) to the Agenda:-

1. Pursuant to section 169(1) of the Companies Act, 1965 Act), the Directors shall lay before the Company at its Annual General Meeting its annual financial statements made up to a date not more than 6 months before the date of the meeting. There will be no resolution to be passed on this item 1.
2. Pursuant to Articles 91 and 92 of the Company's Articles of Association and paragraph 7.28(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Listing Requirements), at every annual general meeting, one-third(1/3) of the Directors of the Company for the time being shall retire from office once at least in every three(3) years and shall be eligible for re-election.

Pursuant to Article 96 of the Company's Articles of Association, any Director so appointed shall hold office only until the next AGM and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

3. Pursuant to section 172(2) of the Act, the Company shall at every annual general meeting appoint its auditors who shall hold office until the conclusion of the next annual general meeting.
4. This section 132D authority, if approved, will empower the directors of the Company to issue ordinary shares in the Company up to 10% of the issued and paid-up share capital of the Company for the time being, subject to compliance with all other regulatory requirements and this will enable the Company to finance investment projects, working capital and/or acquisitions by issuing new shares as and when the need arises without delay or incurring costs in convening a separate general meeting. This authority, unless revoked or varied at an earlier general meeting, will expire at the conclusion of the next annual general meeting of the Company.

As at the date of this notice of annual general meeting, the Company has not issued any new shares pursuant to the existing section 132D authority obtained during the last annual general meeting held on 31 July 2015, which authority shall lapse at the conclusion of this annual general meeting.

5. This resolution, if approved, will provide a mandate for the Company to purchase its own shares of up to ten percent (10%) of the total issued and paid-up share capital of the Company and shall lapse at the conclusion of the next Annual General Meeting unless authority for the renewal is obtained from the shareholders of the Company at a general meeting.

Notice of Annual General Meeting (Cont'd)

Notes to the notice of annual general meeting:-

1. A depositor shall not be regarded as a member entitled to attend this general meeting and to speak and vote thereat unless his/her name appears in the register of members and/or record of depositors as at 21 June 2016 (which is not less than 3 market days before the date of this meeting) issued by Bursa Malaysia Depository Sdn Bhd (Bursa Depository) upon the Company's request in accordance with the rules of the Bursa Depository.
2. Subject to note 3 below, a member entitled to attend, speak and vote at this meeting is entitled to appoint a proxy or proxies (but not more than 2 or in the case of a corporation, a duly authorized representative) to attend, speak and vote in his/her stead. Where a member appoints more than 1 proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy. The proxy or proxies need(s) not be a member of the Company and there shall be no restriction as to the qualification of the proxy or proxies.
3. Where a member is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account) as defined under the Securities Industry (Central Depository) Act 1991, there is no limit on the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation/company, either under its common seal or under the hand of an officer or its attorney duly authorized, and such duly executed instrument appointing a proxy must be deposited at the Registered Office at 1st & 2nd Floor, Victoria Point, Jalan OKK Awang Besar, 87007, W.P. Labuan not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

Statement Accompanying Notice of Annual General Meeting

1. The Director who stands for re-election pursuant to Articles 91, 92 & 96 of the Articles of Association of the Company:

- (a) Mr Chan Keng Leong
- (b) Teo Kiew Leong

the profile of which is presented in the "Directors' Profile" section on pages 9 to 10.

2. Board meetings held during the financial year ended 31 January 2016

The Board has held 21 meetings during the financial year to review and monitor the development of the Group. The details of the attendance of each member of the Board are tabulated as follows:

Directors	Date of Appointment	No. of meetings Held
(i) Tan Kok Chor	21 August 2001	21/21
(ii) Teo Kiew Leong	2 April 2007	17/21
(iii) Chan Keng Leong	5 November 2015	5/21
(iv) Michael Moo Kai Wah	15 Jan 2008	21/21
(v) Seroop Singh Ramday	1 August 2014	21/21

3. The place, date and time of the 32nd Annual General Meeting

2nd Floor, Victoria Point, Jalan OKK Awang Besar, 87007, W.P. Labuan on Tuesday, 28 June 2016 at 8.00 am.

4. General Meeting Record of Depositors

For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Article 49 of the Articles of Association of the Company and Paragraph 7.16 (2) of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements, a Record of Depositors as of 21 June 2016, and a depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting or appoint proxy to attend, speak and/or vote in his stead.

proxy form

Shareholding Represented by Proxy	
CDS Number	

I/We
of
being a member/members of the above-named company, hereby appoint
of
or failing whom
of

as my/our proxy for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company to be held on Tuesday, 28 June 2016 at 8.00 a.m. and at any adjournment thereof, and there at, to vote on the following resolutions referred to in the notice of the 32nd Annual General Meeting.

NO.	RESOLUTION	FOR	AGAINST
1.	To table the Audited Financial Statements for the financial year ended 31 January 2016 together with the Reports of Directors and Auditors thereon.		
2.	To re-elect Mr Chan Keng Leong in accordance with Articles 91 & 96 of the Company's Articles of Association.		
3.	To re-elect Mr Teo Kiew Leong in accordance with Article 91 & 92 of the Company's Articles of Association.		
4.	To approve the Directors' fees of RM364,284.00 for the financial year ended 31 January 2016.		
5.	To re-appoint Messrs STYL Associates as Auditors of the Company and to authorise the Directors to fix their remuneration.		
6.	As Special Business: <u>Ordinary Resolution 1</u> - To authorize Directors to allot and issue shares pursuant to Section 132D of the Companies Act, 1965.		
7.	<u>Ordinary Resolution 2</u> - Renewal of Authority for the purchase of own shares by the Company.		

Please indicate with a cross (X) in the appropriate spaces provided whether you wish your votes to be cast for or against the Resolutions. In the absence of specific direction, your proxy will vote or abstain as he/she thinks fit.

Date:

.....
Signature of Member(s)/
Common Seal of Appointer

Notes:

1. A depositor shall not be regarded as a member entitled to attend this general meeting and to speak and vote thereat unless his/her name appears in the register of members and/or record of depositors as at 21 June 2016 (which is not less than 3 market days before the date of this meeting) issued by Bursa Malaysia Depository Sdn Bhd (Bursa Depository) upon the Company's request in accordance with the rules of the Bursa Depository.
2. Subject to note 3 below, a member entitled to attend and vote at this meeting is entitled to appoint a proxy or proxies (but not more than 2 or in the case of a corporation, a duly authorized representative) to attend and vote in his/her stead. Where a member appoints more than 1 proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy. The proxy or proxies need(s) not be a member of the Company and there shall be no restriction as to the qualification of the proxy or proxies.
3. Where a member is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account) as defined under the Securities Industry (Central Depository) Act 1991, there is no limit on the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation / company, either under its common seal or under the hand of an officer or its attorney duly authorized, and such duly executed instrument appointing a proxy must be deposited at the Registered Office at 1st & 2nd Floor, Victoria Point, Jalan OKK Awang Besar, 87007, W.P. Labuan not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
5. The completion and return of the Form of Proxy does not preclude you from attending, speaking and voting in person at the AGM should you subsequently wish to do so, but if you do, your proxy shall be precluded from attending the AGM.

Fold this flap for sealing

Then fold here

AFFIX
POSTAGE
STAMP

THE COMPANY SECRETARY
BORNEO OIL BERHAD
1st & 2nd Floor,
Victoria Point,
Jalan OKK Awang Besar,
87007 W.P. Labuan

1st fold here

1st & 2nd Floor, Victoria Point,
Jalan OKK Awang Besar, 87007,
W.P. Labuan, Malaysia.