

DUALRANK FONTECH (M) SDN BHD
(Incorporated in Malaysia)

FINANCIAL STATEMENTS
31 MARCH 2015

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Company no: 905260 H

DUALRANK FONTECH (M) SDN BHD
REPORT OF THE DIRECTORS

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

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of fabrication and refurbishment of heavy machinery parts.

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

RESULTS

	<u>RM</u>
Loss after taxation	<u>(171,987)</u>

In the opinion of the directors, the results of the operations of the Company during the year covered by the income statement have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial year and the date of this report other than as disclosed in the financial statements.

DIVIDENDS

No dividend was paid, declared or proposed since the date of the last report.

The directors do not recommend any payment of dividends in respect of the financial year ended 31 March 2015.

RESERVES AND PROVISIONS

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

SHARE CAPITAL

There were no changes in the issued and paid up share capital of the Company during the financial year.

SHARE OPTIONS

No option has been granted during the year covered by the income statement to take up unissued shares in the Company.

GOING CONCERN

Notwithstanding that the Company incurred a capital deficit of RM643,425 as at 31 March 2015, the directors are of the opinion that it is appropriate for the financial statements of the Company to be prepared on the going concern basis.

Company no: 905260 H

HOLDING COMPANY

The holding company is Dualrank (M) Sdn Bhd, incorporated in Malaysia.

DIRECTORS

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

James Edward Buxton
Laurence Yee Lye Eu
Sumant Puntambekar
Anttonette Marie B Joseph A/P MD Joseph (f)
P Viswanathan Puthalath

The directors holding office at the end of the financial year and have an interest in the shares of the Company as recorded in the register of directors' shareholdings maintained under Section 134 of the Companies Act, 1965, are as follows:

<i>Name of director</i>	<i>Number of ordinary shares of RM1.00 each</i>			<i>Balance at 31/3/15</i>
	<i>Balance at 1/4/14</i>	<i>Bought</i>	<i>Sold</i>	
Anttonette Marie B Joseph A/P MD Joseph (f)	10,000	-	-	10,000

No other director in office at the end of the financial year held any shares, or beneficial interest in shares, of the Company during the financial year according to the register of directors' shareholdings required to be maintained under Section 134 of the Companies Act, 1965.

The retirement and re-appointment of the directors are in accordance with the provisions of the Company's Articles of Association.

Since the date of the last report, no director has received or become entitled to receive any benefit (other than fees and other emoluments shown in the financial statements) by reason of a contract made by the Company or a related company with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest other than as disclosed in the financial statements.

Neither during nor at the end of the financial year was the Company a party to any arrangements whose object was to enable the directors to acquire benefits through the acquisition of shares in, or debentures of, the Company or any other body corporate.

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Company were made out, the directors took reasonable steps:
- to ascertain the action taken in relation to the writing off of bad debts and the making of allowances for doubtful debts and have satisfied themselves that all known bad debts have been written off and that adequate allowances had been made for doubtful debts; and,
 - to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values.

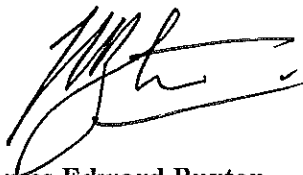
Company no: 905260 H

- (b) At the date of this report, the directors are not aware of any circumstances:
- (i) which would render the amounts written off or allowed for bad and doubtful debts of the Company inadequate to any material extent or the values attributed to current assets of the Company misleading; and,
 - (ii) which have arisen that would render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.
- (c) In the interval between the end of the financial year and the date of this report:
- (i) no item, transaction or other event of a material and unusual nature has arisen which, in the opinion of the directors, would substantially affect the results of the operations of the Company for the current financial year; and,
 - (ii) no charges have arisen on the assets of the Company which secure the liabilities of any other person nor have any contingent liabilities arisen in the Company other than as disclosed in the financial statements.
- (d) No contingent or other liability of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the Company to meet its obligations as and when they fall due other than as disclosed in the financial statements.
- (e) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in their report or the financial statements which would render any amount stated in the financial statements misleading.

AUDITORS

The auditors, Messrs S H Leong & Co, have indicated their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors



James Edward Buxton



Laurence Yee Lye Eu

Kuala Lumpur

Dated: 17 April 2015

Company no: 905260 H

DUALRANK FONTECH (M) SDN BHD

STATEMENT BY DIRECTORS pursuant to Section 169(15) of the Companies Act, 1965

We, the undersigned, James Edward Buxton and Laurence Yee Lye Eu, being two of the directors of the Company, do hereby state that in the opinion of the directors, the accompanying financial statements are drawn up in accordance with the provisions of the Companies Act, 1965, and the applicable Malaysian Private Entities Reporting Standards in Malaysia, so as to give a true and fair view of the financial position of the Company as at 31 March 2015, and of its financial performance and cash flow for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors



James Edward Buxton



Laurence Yee Lye Eu

Kuala Lumpur

Dated: 17 April 2015

STATUTORY DECLARATION

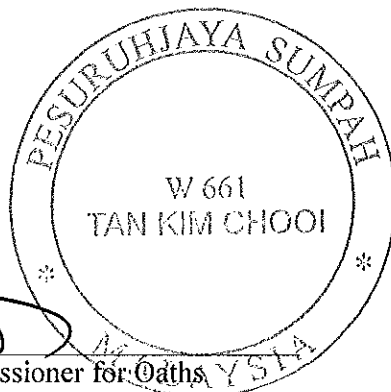
I, the undersigned, James Edward Buxton, IC no: 581220-10-5591, being the director primarily responsible for the financial management of the Company, do solemnly and sincerely declare that the accompanying financial statements are to the best of my knowledge and belief correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed, James Edward)
Buxton, IC no: 581220-10-5591, at)
Kuala Lumpur in Wilayah)
Persekutuan on 17 April 2015)



James Edward Buxton

Before me:



Commissioner for Oaths

16TH FLOOR, WISMA SIME DARBY
JALAN RAJA LAUT, 50350 KUALA LUMPUR 4



Company no: 905260 H

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DUALRANK FONTECH (M) SDN BHD**

Report on the financial statements

We have audited the financial statements of the Company, which comprise the balance sheet as at 31 March 2015, statements of income, changes in equity and cash flow for the year then ended, together with a summary of significant accounting policies and other explanatory information contained in the notes thereon, as set out on pages 7 to 19.

Directors' responsibility

The directors of the Company are responsible for the preparation of financial statements that present a true and fair view in accordance with the Companies Act, 1965, and the applicable Malaysian Private Entities Reporting Standards, in Malaysia, and also for such internal controls as they deem necessary to enable the preparation of financial statements that are free from material misstatements, whether due to error or fraud.

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 that the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to error or fraud. 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 control. An audit also includes evaluating the appropriateness of accounting policies used, and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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



Company no: 905260 H

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DUALRANK FONTECH (M) SDN BHD (CONTINUED)**

Emphasis of matter

Without qualifying our opinion, we bring to your attention that the financial statements of the Company are prepared on the going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future, and be able to realise its assets and discharge its liabilities in the normal course of business.

As at 31 March 2015, the Company incurred a capital deficit of RM643,425, thereby indicating the existence of a material uncertainty that may cause a significant doubt to be cast over the Company's ability to continue operation as a going concern.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965, and the applicable Malaysian Private Entities Reporting Standards, in Malaysia, so as to give a true and fair view of the financial position of the Company as at 31 March 2015, and of its financial performance and cash flow for the 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 that, in our opinion, the accounting and other records and registers required by the Act to be kept by the Company, have been properly kept in accordance with the provisions of the said Act.

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 or body corporate for the contents of this report.

S H Leong & Co
[AF 0339]
Chartered Accountants

Kuala Lumpur

Dated: 17 April 2015

DUALRANK FONTECH (M) SDN BHD
BALANCE SHEET at 31 March 2015

	<i>Note</i>	<i>2015</i> <i>RM</i>
SHARE CAPITAL	4	1,000,000
ACCUMULATED LOSSES		(1,643,425)
SHAREHOLDERS' EQUITY		<u>(643,425)</u>
NON CURRENT LIABILITIES		
Hire purchase payables	5	91,967
		<u>(551,458)</u>
REPRESENTED BY:		
NON CURRENT ASSETS		
Property, plant and equipment	6	781,001
CURRENT ASSETS		
Inventories at cost		482,747
Trade receivables		572,633
Sundry receivables, deposits and prepayments	7	89,038
Cash and bank balances		8,800
		<u>1,153,218</u>
LESS: CURRENT LIABILITIES		
Trade payables		466,047
Amount due to holding company	8	831,375
Amount due to related company	8	823,165
Sundry payables and accruals	9	201,528
Hire purchase payables	5	163,562
		<u>2,485,677</u>
NET CURRENT LIABILITIES		(1,332,459)
		<u>(551,458)</u>

The accompanying notes form an integral part of the financial statements

DUALRANK FONTECH (M) SDN BHD
INCOME STATEMENT for the year ended 31 March 2015

	<i>Note</i>	<u>2015</u> <u>RM</u>
REVENUE	2e	2,102,093
COST OF SALES		(1,652,612)
		<u>449,481</u>
OTHER INCOME		14,167
OPERATING AND ADMINISTRATIVE EXPENSES		(630,646)
OPERATING LOSS		<u>(166,998)</u>
FINANCE COSTS		(4,989)
LOSS BEFORE TAXATION	10	<u>(171,987)</u>
TAXATION	11	-
LOSS AFTER TAXATION		<u><u>(171,987)</u></u>

STATEMENT OF CHANGES IN EQUITY for the year ended 31 March 2015

	<u>Total</u> <u>RM</u>	<u>Share</u> <u>capital</u> <u>RM</u>	<u>Retained</u> <u>profits/</u> <u>(losses)</u> <u>RM</u>
At 31 March 2014	(471,438)	1,000,000	(1,471,438)
Loss for the year	(171,987)	-	(171,987)
At 31 March 2015	<u>(643,425)</u>	<u>1,000,000</u>	<u>(1,643,425)</u>

The accompanying notes form an integral part of the financial statements

DUALRANK FONTECH (M) SDN BHD
CASH FLOW STATEMENT for the year ended 31 March 2015

	<u>2015</u> <u>RM</u>
OPERATING ACTIVITIES	
Loss before taxation	(171,987)
<u>Adjustments for:</u>	
Depreciation	93,186
Interest expense	4,989
Loss on disposal of property, plant and equipment	177
Operating loss before working capital changes	(73,635)
Increase/(decrease) in working capital	
Inventories at cost	(17,313)
Trade receivables	(362,991)
Sundry receivables, deposits and prepayments	132,861
Trade payables	100,095
Amount due to holding company	351,875
Amount due to related company	343,665
Sundry payables and accruals	35,387
Amount due to directors	(100,000)
Cash generated from operating activities	409,944
INVESTING ACTIVITIES	
Purchase of property, plant and equipment	(630,356)
Proceeds from disposal of property, plant and equipment	1,113
Cash used in investing activities	(629,243)
FINANCING ACTIVITIES	
Interest expense	(4,989)
Proceeds from hire purchase	315,700
Repayment of hire purchase	(92,022)
Cash generated from financing activities	218,689

The accompanying notes form an integral part of the financial statements

Company no: 905260 H

DUALRANK FONTECH (M) SDN BHD

CASH FLOW STATEMENT for the year ended 31 March 2015 (continued)

	<u>2015</u> <u>RM</u>
Net decrease in cash and cash equivalents	(610)
CASH AND CASH EQUIVALENTS	
At beginning of year	9,410
At end of year	<u>8,800</u>
CASH AND CASH EQUIVALENTS COMPRISE:	
Cash and bank balances	<u>8,800</u>

The accompanying notes form an integral part of the financial statements

DUALRANK FONTECH (M) SDN BHD
NOTES TO FINANCIAL STATEMENTS - 31 March 2015

1 CORPORATE INFORMATION

The Company is a private limited liability company, incorporated and domiciled in Malaysia.

The principal activities of the Company are that of fabrication and refurbishment of heavy machinery parts.

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

The registered office of the Company is A1-3 Jalan 2/142A, Megan Phoenix Cheras KM 10, 56000 Kuala Lumpur.

The principal place of business of the Company is 9 Jalan Apollo U5/194, Bandar Pinggiran Subang, 40150 Shah Alam Selangor.

The number of employees of the Company (including salaried directors) at the end of the financial year was 10.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 17 April 2015.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements are prepared on the going concern basis under the historical cost convention, and comply with the provisions of the Companies Act, 1965, and the applicable Malaysian Private Entities Reporting Standards in Malaysia.

The financial statements are presented in Ringgit Malaysia (RM).

(b) Property, plant and equipment and depreciation

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

Depreciation is provided on the straight line basis, calculated to write off the cost of each asset to its residual value over its estimated useful life, at the following annual rates:

Renovations	10%
Tools and equipment	10%
Air conditioners	10%
Furniture and fittings	10%
Office equipment	10%
Computers	20%
Machinery and moulds	10%
Motor vehicles	20%

DUALRANK FONTECH (M) SDN BHD
NOTES TO FINANCIAL STATEMENTS - 31 March 2015

2 SIGNIFICANT ACCOUNTING POLICIES

(b) Property, plant and equipment and depreciation

Residual values, useful lives and depreciation methods are reviewed at balance sheet date to ensure that they are consistent with previous estimates and the expected pattern of consumption of future economic benefits embodied in the items of property, plant and equipment.

Property, plant and equipment are no longer recognised when no future economic benefits are expected from their use, or upon disposal.

Gains or losses on disposals are determined by comparing proceeds with carrying amounts and are included in the income statement.

(c) Impairment of non-financial assets

The carrying values of assets, other than current assets, are reviewed at the balance sheet date to ascertain whether there are any indications of impairment. If any such impairment exists, the asset's recoverable value is estimated to determine the amount of impairment loss.

The recoverable value of an asset is the higher of its net selling price and value in use, which is measured by reference to discounted future cash flows. An impairment loss occurs when the carrying amount of an asset exceeds its recoverable value.

An impairment loss is recognised in the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for as a revaluation decrease to the extent that the impairment loss does not exceed the amount held in the fair value reserve for the same asset.

A reversal of impairment losses recognised in previous years is effected when the impairment losses for the assets have decreased or no longer exist.

(d) Provisions

Provisions for liabilities are recognised when past events result in present obligations for settlement and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations, and where reliable estimates of the amounts can be made.

Where the amounts of such liabilities cannot be determined, best estimates are made based on available information. In determining best estimates, the effect of the time value of money is taken into consideration where material, and the value of the provision is discounted using a pretax discount rate that reflects, where appropriate, the risks specific to the liability. When this method is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the balance sheet date and adjusted to reflect current best estimates.

DUALRANK FONTECH (M) SDN BHD
NOTES TO FINANCIAL STATEMENTS - 31 March 2015

2 SIGNIFICANT ACCOUNTING POLICIES

(e) Revenue

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the value of which can be reliably measured.

Revenue represents value of goods sold and services rendered less returns and discounts allowed, net of sales and service taxes where applicable.

Revenue from sale of goods is recognised when significant risks and rewards of ownership of the goods have passed to the buyer, while revenue from services rendered is recognised upon its completion.

(f) Employee benefits

(i) Short term benefits

Salaries, wages, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Company.

Employees are also entitled to paid annual leave earned on a cumulative basis. Short term non-cumulative leave, such as sick leave, are recognised when such leave are taken.

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which a participating company pays fixed contributions into separate entities or funds and thereafter has no legal or constructive obligation to pay further contributions should these funds not contain sufficient resources to pay employee benefits relating to employee services in the current and/or preceding financial years.

As required by law, the Company makes such contributions to the Employees' Provident Fund (EPF) and recognise such contributions as an expense in the income statement on an incurred basis.

(g) Inventories

Inventories are stated at the lower of cost and net realisable value, and are principally determined on the first-in first-out basis. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

For work-in-progress and finished goods, cost consists of raw materials, direct labour, and an appropriate proportion of fixed and variable production overheads.

DUALRANK FONTECH (M) SDN BHD
NOTES TO FINANCIAL STATEMENTS - 31 March 2015

2 SIGNIFICANT ACCOUNTING POLICIES

(h) Taxation

Taxation comprises current year provision on taxable income for the year using tax rates enacted, or substantively enacted, at balance sheet date, adjustments to tax payable in respect of previous years, if any, as well as deferred taxation.

Taxation deferred by temporary differences arising between the tax base of assets and their carrying values in the financial statements are accounted for using the liability method, except where the tax effect of such differences are expected to be deferred indefinitely, or where the effect of such differences are not material.

The tax effect of temporary differences which result in a debit balance is not recognised in the financial statements unless there is a reasonable expectation of realisation.

(i) Financial instruments

Financial instruments are recognised in the balance sheet when the Company has become a party to the contractual provisions of the instrument and are classified either as equity, assets or liabilities, in accordance with the substance of the contractual arrangement.

Interest, dividends, gains or losses relating to financial instruments classified as assets or liabilities, are reported as income or expenses. Distributions to holders of financial instruments classified as equity, are recognised directly in equity.

Financial instruments are offset only when the Company has a legally enforceable right to do so and intends to settle, either on a net basis, or to realise the asset and settle the liability simultaneously.

(i) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances, demand deposits, and short term highly liquid investments which are readily convertible to known amounts of cash and have an insignificant risk of changes in value, against which bank overdrafts, if any, are deducted.

(ii) Receivables

Receivables are stated at cost less allowances for doubtful debts while bad debts are written off in the financial year in which they are identified.

(iii) Payables

Payables are stated at cost, being the fair value of the consideration paid for goods and services received.

DUALRANK FONTECH (M) SDN BHD
NOTES TO FINANCIAL STATEMENTS - 31 March 2015

2 SIGNIFICANT ACCOUNTING POLICIES

(i) Financial instruments

(iv) Interest bearing borrowings

Interest bearing bank loans and overdrafts are stated at the amount of proceeds received.

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

All other borrowing costs are recognised as an expense in the income statement in the period in which they are incurred.

(j) Hire purchase arrangements

Assets acquired under hire purchase arrangements are capitalised in the financial statements and the corresponding obligations treated as liabilities in the balance sheet.

Hire purchase payments are apportioned between the finance costs and the reduction of the outstanding liabilities.

Finance costs, which represent the difference between the total hire purchase commitments and the fair value of the assets acquired, net of deposits paid, are recognised in the income statement over the period of the hire purchase agreements so as to produce a constant periodic rate charge on the remaining balance of the obligations for each accounting period.

(k) Foreign currencies

The currency of the primary economic environment in which the Company operates is known as the functional currency.

The Company operates in Malaysia and uses the currency of Malaysia as the functional currency for the presentation of its financial statements.

Transactions in foreign currencies during the financial year are recorded in the functional currency using exchange rates prevailing at the transaction dates. At the balance sheet date, monetary items denominated in foreign currencies are translated at rates of exchange prevailing on that date. Non-monetary items carried at fair value denominated in foreign currencies, are translated at rates of exchange prevailing on the date the fair value was determined. Non-monetary items carried at historical cost in a foreign currency are translated using exchange rates at the date of the transactions.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary and non-monetary items, are included in the income statement for the financial period.

DUALRANK FONTECH (M) SDN BHD
NOTES TO FINANCIAL STATEMENTS - 31 March 2015

2 SIGNIFICANT ACCOUNTING POLICIES

(k) Foreign currencies

The principal exchange rates ruling at balance sheet date for one unit of foreign currency used, are as follows:

	<u>2015</u> <u>RM</u>
United States Dollar (USD)	3.716
Indian Rupee (INR)	0.058

3 FINANCIAL INSTRUMENTS

(a) Fair value

The carrying amounts of financial assets and liabilities at balance sheet date approximate their fair values.

(b) Financial risk management policies

The Company's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Company's business whilst at the same time, managing its risks.

(c) Credit risk

The Company has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Company does not require collateral in respect of credit extensions to customers.

Credit terms for trade receivables are assessed and approved on a case by case basis and are granted for a period ranging from 30 days to 60 days. The Company does not have any significant concentration of credit risk that may arise from exposure to a single debtor or to groups of debtors.

Credit terms for trade payables range from 30 days to 60 days.

(d) Liquidity risk

The Company monitors and maintains a level of cash and cash equivalents deemed adequate to finance its business activities and to mitigate the effects of fluctuations in cash flows.

DUALRANK FONTECH (M) SDN BHD
NOTES TO FINANCIAL STATEMENTS - 31 March 2015

3 FINANCIAL INSTRUMENTS

(e) Interest rate risk

The Company's exposure to changes in interest rates relates primarily to financial borrowings and/or short term deposits placed with licensed financial institutions.

There is no formal hedging policy with respect to interest rate fluctuations.

Exposure to interest rate risk is monitored on an ongoing basis, and the Company endeavours to keep the exposure at an acceptable level.

(f) Currency risk

The Company incurs foreign currency risks on purchases of goods that are denominated in currencies other than its functional currency. The currencies giving rise to this risk are reflected in the accounting policies.

The Company does not hedge its foreign currency exposure by purchasing forward currency contracts.

Exposure to currency risk is monitored on an ongoing basis, and the Company endeavours to keep the exposure at an acceptable level.

4 SHARE CAPITAL

	<i>2015</i>	
	<i>Number of shares</i>	<i>RM</i>
Shares of RM1.00 each		
Authorised, issued and fully paid	<u>1,000,000</u>	<u>1,000,000</u>

5 HIRE PURCHASE PAYABLES

	<i>2015</i>	
	<i>Commitments RM</i>	<i>Present value RM</i>
Non current portion		
Payable within 1 to 2 years	78,344	76,309
Payable within 2 to 5 years	16,648	15,658
	<u>94,992</u>	<u>91,967</u>
Current portion		
Payable within a year	176,364	163,562
	<u>271,356</u>	<u>255,529</u>
Less: Unexpired interest	(15,827)	-
	<u>255,529</u>	<u>255,529</u>

DUALRANK FONTECH (M) SDN BHD
NOTES TO FINANCIAL STATEMENTS - 31 March 2015

6 PROPERTY, PLANT AND EQUIPMENT

<i>Cost</i>	<i>Beginning</i>	<i>Additions</i>	<i>Disposals</i>	<i>End</i>
	<i>of year</i>			<i>of year</i>
	<i>RM</i>	<i>RM</i>	<i>RM</i>	<i>RM</i>
Renovations	33,105	45,963	-	79,068
Tools and equipment	186,074	83,558	-	269,632
Air conditioners	8,494	-	(1,630)	6,864
Furniture and fittings	7,134	1,380	-	8,514
Office equipment	9,443	-	-	9,443
Computers	25,575	31,330	-	56,905
Machinery and mould	18,464	468,125	-	486,589
Motor vehicles	48,000	-	-	48,000
	<u>336,289</u>	<u>630,356</u>	<u>(1,630)</u>	<u>965,015</u>
<i>Accumulated depreciation</i>	<i>Beginning</i>	<i>Current</i>	<i>Written off</i>	<i>End</i>
	<i>of year</i>	<i>depreciation</i>	<i>on disposals</i>	<i>of year</i>
	<i>RM</i>	<i>RM</i>	<i>RM</i>	<i>RM</i>
Renovations	6,483	5,997	-	12,480
Tools and equipment	45,523	23,005	-	68,528
Air conditioners	1,537	646	(340)	1,843
Furniture and fittings	1,648	1,255	-	2,903
Office equipment	1,892	943	-	2,835
Computers	12,586	8,392	-	20,978
Machinery and mould	4,699	43,348	-	48,047
Motor vehicles	16,800	9,600	-	26,400
	<u>91,168</u>	<u>93,186</u>	<u>(340)</u>	<u>184,014</u>
<i>Carrying value</i>			<i>2015</i>	<i>31/03/15</i>
			<i>RM</i>	<i>RM</i>
Renovations			66,588	26,622
Tools and equipment			201,104	140,551
Air conditioners			5,021	6,957
Furniture and fittings			5,611	5,486
Office equipment			6,608	7,551
Computers			35,927	12,989
Machinery and mould			438,542	13,765
Motor vehicles			21,600	31,200
			<u>781,001</u>	<u>245,121</u>

DUALRANK FONTECH (M) SDN BHD
NOTES TO FINANCIAL STATEMENTS - 31 March 2015

7 SUNDRY RECEIVABLES, DEPOSITS AND PREPAYMENTS

	<u>2015</u>
	<u>RM</u>
Sundry receivables	3,626
Deposits	10,440
Prepayments	74,972
	<u>89,038</u>

8 AMOUNT DUE TO HOLDING COMPANY AND RELATED COMPANY

Amount due to holding company and related company is unsecured, interest free, and with no fixed terms of repayment.

9 SUNDRY PAYABLES AND ACCRUALS

	<u>2015</u>
	<u>RM</u>
Sundry payables	98,131
Accruals and provisions	103,397
	<u>201,528</u>

10 LOSS BEFORE TAXATION

	<u>2015</u>
	<u>RM</u>
After charging:	
Auditors' remuneration	4,200
Depreciation	93,186
Interest on hire purchase	4,989
Loss on disposal of property, plant and equipment	177
Loss on foreign exchange – realised	5,196
Rental of premises	74,850
Staff costs	198,220
	<u>380,838</u>

Company no: 905260 H

DUALRANK FONTECH (M) SDN BHD
NOTES TO FINANCIAL STATEMENTS - 31 March 2015

11 TAXATION

No taxation has been provided for as the Company incurred losses during the financial year.

The tax computation of the Company is subject to agreement with the tax authorities.

12 HOLDING COMPANY

The holding company is Dualrank (M) Sdn Bhd, incorporated in Malaysia.

Lodged by : Progressive Consultancy Services Sdn Bhd (Company no: 309819 A)

Address : A1-3 Jalan 2/142A,
Megan Phoenix Cheras KM 10,
56000 Kuala Lumpur

Telephone : 03-9100 2328

Lodged in the Registrar office of Kuala Lumpur.

Company no: 905260 H

DUALRANK FONTECH (M) SDN BHD
INCOME STATEMENT for the year ended 31 March 2015

	<u>2015</u> <u>RM</u>
TURNOVER	
Sales	2,102,093
LESS: COST OF SALES	
Opening inventories	400,925
Purchases	563,740
Fabrication	504,713
Carriage outward	149,918
Freight charges	5,819
Wages	443,894
Upkeep of machinery and workshop	66,350
	2,135,359
Less: Closing inventories	482,747
	1,652,612
GROSS PROFIT	<u>449,481</u>
OTHER INCOME	
Reversal of prior year warranty expenses	14,167
	<u>463,648</u>
LESS: OPERATING EXPENSES (per schedule)	630,646
OPERATING LOSS	<u>(166,998)</u>
LESS: FINANCE COSTS	
Interest on hire purchase	4,989
LOSS BEFORE TAXATION	<u><u>(171,987)</u></u>

FOR MANAGEMENT INFORMATION PURPOSES ONLY

DUALRANK FONTECH (M) SDN BHD
OPERATING EXPENSES for the year ended 31 March 2015

	<u>2015</u>
	<u>RM</u>
Auditors' remuneration	4,200
Bank charges	802
Consultancy fees	36,700
Depreciation	93,186
Electricity and water	20,906
Filing fees	150
General expenses	373
Insurance	11,784
Licence fees	1,205
Loss on disposal of property, plant and equipment	177
Loss on foreign exchange – realised	5,196
Medical expenses	5,394
Penalties and fines	40
Petrol, parking and toll charges	13,472
Postage and courier services	2,475
Printing and stationery	3,839
Promotions and advertisements	689
Recruitment, levy and permit	3,457
Rental of premises	74,850
Salaries, EPF and Socso	198,220
Secretarial fees	940
Staff welfare and refreshments	6,711
Staff training	3,080
Taxation fees	3,000
Telephone and internet charges	21,852
Travelling and accommodation	102,477
Upkeep of motor vehicles	5,141
Upkeep of premises	6,620
Upkeep of office equipment	3,710
TOTAL OPERATING EXPENSES	<u><u>630,646</u></u>